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REPORTS

FROM

COMMITTEES:

SIXTEEN VOLUMES.

—*(10.)*—

JOINT STOCK BANKS.

Session

31 *January*——17 *July* 1837.

VOL. XIV.

1837.

REPORTS FROM COMMITTEES:

1837.

SIXTEEN VOLUMES:—CONTENTS OF THE

TENTH VOLUME.

N. B.—*THE* Figures *at the* beginning of the line, *correspond with the* N° *at the foot of each* Report; *and the* Figures *at the* end of the line, *refer to the* MS. Paging *of the Volumes arranged for The House of Commons.*

JOINT STOCK BANKS:

531. REPORT from the Secret Committee appointed to inquire into the Operation of the Acts permitting the Establishment of Joint Stock Banks in *England* and *Ireland*, under certain Restrictions, and whether it be expedient to make any Amendment in the Provisions of those Acts; with Minutes of Evidence, Appendix and Index - - - - - - - - - - - p. 1

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REPORT

FROM THE

SECRET COMMITTEE

ON

JOINT STOCK BANKS;

TOGETHER WITH THE

MINUTES OF EVIDENCE,

APPENDIX AND INDEX.

Ordered, by The House of Commons, *to be Printed,*
15 *July* 1837.

Lunæ, 6° die Februarii, 1837.

Ordered, THAT a Select Committee be appointed to inquire into the Operation of the Acts permitting the Establishment of Joint Stock Banks in England and Ireland, under certain Restrictions, and whether it be expedient to make any amendment in the provisions of those Acts.

And a Committee was appointed of—

Mr. Chancellor of the Exchequer.
Sir Robert Peel.
Mr. Poulett Thomson.
Sir James Graham.
Mr. Clay.
Mr. Goulburn.
Mr. Baring (Portsmouth).
Mr. Loch.
Mr. Morrison.
Mr. John Abel Smith.
Mr. Pattison.
Sir John Wrottesley.
Mr. Matthias Attwood.
Mr. Strutt.
Sir Thomas Fremantle.
Mr. Shaw.
Mr. O'Connell.
Mr. Hamilton.
Mr. Jephson.

Ordered, THAT the Committee have power to send for Persons, Papers and Records.

Ordered, THAT Five be the Quorum of the Committee.

Ordered, THAT the Committee be a Committee of Secrecy.

Sabbati, 15° *die Julii,* 1837.

Ordered, THAT the Committee have power to report the Minutes of Evidence taken before them, to The House.

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REPORT.

THE SECRET COMMITTEE appointed to inquire into the Operation of the Acts permitting the Establishment of JOINT STOCK BANKS in *England* and *Ireland*, under certain restrictions, and whether it be expedient to make any Amendment in the Provisions of those Acts; and who were empowered to report the MINUTES of the EVIDENCE taken before them;

HAVE examined several Witnesses, whose Evidence they have agreed to report to The House.

15 *July* 1837.

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MINUTES OF EVIDENCE.

Lunæ, 27° *die Februarii*, 1837.

MEMBERS PRESENT.

The Chancellor of the Exchequer.	Sir Robert Peel.
Sir John Wrottesley.	Mr. Goulburn.
Mr. Jephson.	Mr. Loch.
Mr. Clay.	Sir Thomas Fremantle.
Mr. O'Connell.	Sir James Graham.
Mr. Matthias Attwood.	Mr. F. T. Baring.
Mr. Hamilton.	Mr. J. A. Smith.

THE RIGHT HON. THE CHANCELLOR OF THE EXCHEQUER,

IN THE CHAIR.

Henry Moult, Esq., called in; and Examined.

Henry Moult, Esq.
27 February 1837.

1. *Chairman.*] YOU are Chairman of the Northern and Central Bank?—I am.

2. How long have you been chairman of the Northern and Central Bank?—Since March 1834; we have not changed our chairman.

3. You were, consequently, chairman of the Northern and Central Bank at the period at which their accounts were furnished to this Committee in the course of the last Session?—I was.

4. Were you a party to making up those accounts which were laid before the Committee?—Not at all.

5. By whom were those accounts furnished?—By the accountant.

6. Were they not submitted to the board of directors, or to the chairman or deputy chairman?—They were submitted to the board of directors.

7. Were they considered by the board and approved of by them, as containing a faithful account of the affairs of the company?—They were

8. You are a member of that board?—I am.

9. You were aware of the examination that took place of Mr. Cassels, on the 28th of June 1836?—I was aware of it.

10. Have you read his testimony?—I have; it is only latterly that I have read it; I did not read it at the time.

11. Do you consider that testimony to give a faithful account of the affairs of the company?—I cannot speak in a general sense to it; in a great measure, it does; but there are some parts of that evidence which, I think, if it had been sent down to the board, would have been altered.

12. Can you state to the Committee what are the parts of the evidence which would, in your judgment, have been altered, had they been sent down to the board?—It is a long evidence, and, if I was to go through the whole of it, I could state many parts, particularly where he speaks of the managers of the branches; I think he said that they were trustworthy, but we have been a good deal disappointed in some of them.

13. At what time subsequent to the examination of Mr. Cassels was any pressure or difficulty felt in the affairs of the Northern and Central Bank?—There was not much pressure upon the bank till the examination of Mr. Cassels was published.

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14. At what period did the pressure upon the bank commence?—I think it commenced about August last.

15. How did it manifest itself?—We found great difficulty in getting discounts, much more than usual.

16. By a difficulty in getting discounts, do you mean a difficulty in obtaining money in London for the discharge of your engagements in the country?—A difficulty in getting the bills discounted in London, so that they might be enabled to take up bills becoming due in London, and likewise for general payments in the country; we were obliged to have money from London to carry on our different branches, to take up notes and to pay wages at different factories; we wanted a great deal of cash.

17. That occurred, you say, in August?—I think about August.

18. Were the bills that you found it difficult to re-discount at that period bills of the same character and description that previously you discounted with facility in London?—About the same, except in September, when the American bills were refused.

19. Will you describe the transactions of the Northern and Central Bank in reference to the pressure that was upon them, from the month of August, in which the difficulty first arose, up to the month of December?—Mr. Cassels wrote down to the head office that he had a difficulty to get cash for the bills, and was paying a very high rate of discount, and requested that we would get as much discounted as we could in the country to relieve the London market.

20. Did you accordingly endeavour to get bills discounted in the country?—We did.

21. Did you succeed?—We got a good deal of money from Liverpool.

22. From what sources did you obtain money from Liverpool?—From different banking establishments there; from different quarters; and likewise we got a good deal of money from the north of England.

23. Were the banks to which you applied at Liverpool joint stock banks?—There was one joint stock bank, but that was not of much consequence.

24. Did you send over bills during any portion of that time to Ireland for discount?—Yes, we did. It was mentioned to the board that money was plentiful in Ireland, and a director was sent over.

25. Do you recollect what rate was charged upon the discount of those bills which you sent over to Ireland?—I am not certain whether it was four or four-and-a-half; it was either one or the other.

26. At what rate did you obtain money at Liverpool?—At four-and-a-half, I think.

27. At what rate was the Bank of England discounting at that period in London?—I think about four per cent., and then we gave the brokers rather more; I think four-and-a-half.

28. Mr. *O'Connell.*] Can you fix the date of your transactions with the Bank of Ireland?—I cannot here.

29. *Chairman.*] Were you enabled to supply, through the sources you have alluded to, the deficiencies which you felt by reason of the difficulty of obtaining discounts in London?—Nearly so, I think.

30. How long did you continue to be able to supply your deficiencies from other sources?—We got money from Liverpool up to the end of our time, more or less, from private quarters.

31. Were those supplies adequate to make up the deficiency created by the want of supplies in London?—I think they were nearly so. We ceased discounting paper across the counter, and then we had not occasion to supply so much cash.

32. At what period was a deputation sent from Manchester to London for the purpose of seeking assistance from the Bank of England?—We did not send any deputation to London to seek any assistance from the Bank of England, not upon the first onset.

33. When was a deputation sent up to London, and for what purpose was it sent?—The bank never sent a deputation. The manager was sent up with a quantity of money, and it was lost. Mr. Braidley chanced to be in London, and that was the reason he waited upon the Bank of England.

34. Who was the manager who had charge of the money?—Mr. Evans.

35. How much was the amount of those securities?—It was upwards of 100,000 *l.*

36. You say it was lost; will you state the circumstances under which it was lost?—The manager is here himself; I only know it from what he has told me.

37. Do you know that it was sent up by him?—It was.

38. And it was recovered?—It was recovered.

39. For what purpose was it sent up?—It was mentioned by a letter which I received that a great deal of money would be wanted in London next week, and it requested that we would send up all the money we had, and in consequence of this we made up a parcel of this 100,000 *l.*, and sent the manager to London with it, being a large sum of money.

40. That money being wanted in London to meet the engagements of the bank?—Yes.

41. What was the nature of those securities?—Bills of exchange and cash; but I do not know the contents exactly. Mr. Evans can state that.

42. Did you propose discounting those bills, or what other use did you intend to make of them?—We intended to discount those bills in London.

43. What reason had you to imagine, that accommodation in London having been so much limited from the month of August to the month of November, you would be enabled to discount those bills in London?—We had private quarters which we intended to apply to, which we had no doubt would have given us a large sum of money.

44. Were you in London at the period of the loss?—I was not.

45. Were you cognizant of the transactions which occurred in London at that time?—It was written down to me, as the chairman of the board, that an agreement had been made with the Bank of England.

46. Have you got those letters?—No.

47. Mr. *Goulburn.*] Did your manager in London, after he had lost the money, report that loss to you before any communication had taken place with the Bank of England?—He did.

48. Sir *R. Peel.*] Was there any formal meeting of the directors before the 100,000 *l.* were sent up, sanctioning the transmission of the 100,000 *l.* to London?—No formal meeting.

49. Who were the parties who agreed upon the transmission of the 100,000 *l.* to London?—It was the manager, myself, and, I think, another; what we call the finance committee.

50. Who was the other gentleman?—I was the chairman, and Mr. Agnew and Mr. Fernely.

51. Who wrote to you the letter which stated that it would be necessary to collect whatever money you could collect for London?—Mr. Cassels.

52. Why was it necessary to send Mr. Evans, one of the managers of the bank, with the money; why would not it have been sufficient to send the money in the usual way?—It was a large sum of money; we did not like to trust it in that way.

53. But there would be no great danger from the loss of a considerable part of it?—It would have been a great inconvenience, because if the bills of exchange had been lost we should have had to indemnify the parties.

54. Was it usual to send up persons in the capacity in which Mr. Evans acts with sums of money?—No.

55. What was the largest sum you ever sent up before, without sending a manager with it?—I do not recollect; but large sums.

56. As large a sum as that?—I think not; I do not recollect so large a sum ever coming up at one time.

57. Was it merely on account of the largeness of the sum that it was sent up by the manager?—I think so.

58. There was no intention of making any application to the Bank of England at the time it was sent from Manchester?—None whatever.

59. You never contemplated it at the time?—Never.

60. The sole reason for your making application to the Bank of England was the effect that was anticipated from the sudden loss in the cabriolet?—Entirely so.

61. There had been no communication with Mr. Evans before as to the possibility of the Bank of England lending assistance?—We never thought of doing so.

62. *Chairman.*] You have stated that Mr. Braidley was accidentally in London;

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don; are you aware under what circumstances Mr. Braidley was in London?—Yes, I am.

63. Was it any circumstances connected with the business of the bank?—, Mr. Braidley was sent to London to give any assistance in his power to the agent in London, Mr. Cassels.

64. Sent by whom?—Sent by the board, that they might consult together.

65. Was his visit to London at that time by design, and with a view to the transaction of the business of the bank?—It was certainly with a view to assist the agent in London with his best advice.

66. Was Mr. Braidley aware of the 100,000 *l.* being sent up?—Not at all, till it arrived.

67. Mr. *Goulburn.*] What led to the necessity of sending Mr. Braidley to advise your agent in London?—There was a great pressure for money in London, and we thought that Mr. Braidley's advice would be very advantageous to the agent in London, and consequently we requested he would see him.

68. Mr. *Baring.*] When?—That would be in November.

69. Mr. *Clay.*] You have already stated to the Committee that the immediate cause of the application to the Bank of England was the loss of the money in the cabriolet, and the consequent discredit that you supposed might fall upon the Bank?—Mr. Braidley being here, I think he will answer all these questions much better than I can; but I believe that certainly to be the reason.

70. As it appeared so soon afterwards that the Northern and Central Bank could not have gone on without the assistance of the Bank of England, were there not some more general causes why the Northern and Central Bank could not continue to go on, and which obliged the Bank to suspend their payments?—We, ourselves, the directors of the Northern and Central Bank, thought that we were so strong that nothing could injure us, having a large paid-up capital of 600,000*l.* or 700,000*l.* to 800,000*l.*

71. What was the amount of deposits?—If I recollect right, it was about 600,000 *l.* or upwards, but the accountant has all these particulars.

72. The deposits are stated here at 800,000 *l.*?—Perhaps they might be so; it is a matter that I might have been mistaken in.

73. Then you had, together, a million and a half of deposits and paid-up capital?—Yes, above a million and a half.

74. You had also a circulation of at least 300,000*l.*?—£. 300,000. at that time.

75. Those sources together gave an apparent command of money to the amount of 1,800,000 *l.*?—Yes.

76. With such a command of money, what were the causes, in your opinion, which produced the pecuniary difficulties and pressure for money?—I am able to state that till I was here in December I was not aware of the real cause of it; as I mentioned before, we thought we were so safe with our large paid-up capital, that nothing could injure us. When I came to London I was sent for by Mr. Braidley to go to the Bank of England, when I found that we could not get a shilling discounted from any quarter. Then I found the real cause of the distress: we had plenty of bills at the time, a large amount indeed of very good paper, but when we went into the market, we could not get a single pound from our usual sources; that was in December.

77. What amount of bills had you then?—Somewhere about 120,000 *l.* to 140,000 *l.*

78. Had you any cash at that time?—Yes, we had cash.

79. How much?—About 20,000 *l.* to 24,000 *l.*, cash.

80. Together, 150,000 *l.*?—£. 150,000 to 160,000 *l.*

81. Those were your available resources?—Yes.

82. What had become of the 1,800,000 *l.*?—There was a large quantity of debts owing to us, which constituted a great part of that 1,800,000 *l.*; we had large sums owing to us in the ledgers.

83. You have stated, that having money from different sources amounting to 1,800,000 *l.*, the cause of your difficulties was the not being able to discount bills amounting to 120,000 *l.*?—We wanted considerably more than 120,000 *l.* Our payments, generally speaking, were about 300,000 *l.* a week.

84. Then

84. Then you had no other sources beyond the 120,000 *l.* bills, and the 20,000 *l.* cash?—Every post in the morning brought us supplies of money.

85. Supplies in what shape?—Bills of exchange and cash.

86. Is it not your opinion that the difficulties of the bank must have arisen at some period far before the month of December you have spoken of; that they must have arisen from your having disposed of all the 1,800,000 *l.*, and placed it out of your reach?—The difficulties of the bank originated in lending too much money to persons who kept accounts with the bank.

87. On over-drawn accounts?—On over-drawn accounts.

88. Then that is the great general reason, in your opinion, of the difficulties the bankers experienced?—Yes, it is their being much too liberal.

89. Has there been a heavy loss upon bad paper?—The loss up to December was not very heavy; there has been a very heavy loss since. We closed the bank at the end of January.

90. To what amount can you speak from your own knowledge?—I think the accountant would speak to that better.

91. Then the Committee are to understand, as your opinion, that the original source of the difficulty, is the having lent large sums of money on over-drawn accounts, which were not available at the moment you wanted them?—Yes.

92. That is the cause which you wish to submit to the Committee as chairman of the board of directors?—It is being much too liberal.

93. Mr. *Attwood.*] Mr. Cassels stated in last June that the bank considered that it could make available the sums which had been lent out on over-drawn accounts, which were then about a million. You did not find that they could make those available when the bank had occasion for money?—We could not get them in.

94. You found also that you could not continue the system of re-discounting bills?—We did.

95. Mr. Cassels stated that he was advised by gentlemen in London that the bank would never find a difficulty in furnishing resources from the re-discount of their bills?—So I understood.

96. But you did find the difficulty such as to make it almost impossible?—We did.

97. Do you think that the difficulty of calling up money lent out was produced by any change in the state of money in Lancashire and in London at that time?—It was increased by the scarcity of money in London.

98. There was a great difference in the general condition of money in London, which prevented you from being able to discount your bills?—There was.

99. Was there also a greatly increased scarcity of money in Lancashire?—There was, both in Lancashire and Yorkshire.

100. Did that make it more difficult for your customers to pay their debts when you called upon them?—It did.

101. Mr. *Clay.*] Have you ever attempted to form any general estimate of the capital of the proprietors of the Northern and Central Bank?—It has been taken in a rough way to be a large amount.

102. Have you any objection to state to the Committee what was supposed to be the amount?—It was a great many millions; eight or ten or twelve millions; that is, taking the whole of our shareholders. I think, taking the whole of the 1,200 shareholders, the property belonging to them would be more than 10 millions.

103. Did you make any attempt, when these difficulties came on, to call upon any of your shareholders for assistance; the question does not refer to the re-payment of over-drawn accounts, but did you make any attempts to obtain assistance from any of your shareholders?—No.

104. Why did you not?—We thought our capital was quite sufficient to do everything.

105. But you were aware that every shareholder was liable for the engagements of the bank?—We were.

106. To the whole extent of his fortune?—Yes.

107. Would not that have formed a ground for requiring aid at such a moment from those shareholders?—It would have formed a ground, but we never contemplated that we should want any extra aid, because we were curtailing

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our business very materially, and we had commenced disposing of several of our branches.

108. But, in point of fact, was there not a considerable period during which it appears that you contemplated difficulty at least during the months of November and December?—Yes.

109. When you found that your expectation that you had capital enough to carry you through any difficulty was disappointed, and that you were deceived in it, did you not then think it necessary or expedient to call upon the shareholders, who were of such great wealth, and who were all responsible?—We did not think it expedient, upon this ground, that application had been made to the Bank of England in November.

110. You made an application to the Bank of England?—Yes.

111. What sum did you receive from the Bank of England?—I have no account of it myself.

112. But you know that a sum of money was received?—A large sum of money was received.

113. Do not you think that after having received that sum to obviate the pressing difficulty, it would have been advisable to have called upon the shareholders for an advance of money to relieve the bank from this difficulty?—We did not think it advisable at all; for the money we got from the Bank of England we thought would be considerably more than we should want, but it turned out quite different from that; the paragraphs in the papers about that period, and our branches being so very extended, caused an amazing quantity of money to be taken from us; the consequence of which was, that where we expected 300,000*l.* would have done, it took 600,000*l.* or 700,000*l.* to do it.

114. When you began to find that the first advance from the Bank of England was not sufficient, did not it then occur to you that you ought to call upon your shareholders?—It did not.

115. It never was suggested to the bank?—I do not recollect that it ever was.

116. Did any of your shareholders come forward to proffer assistance?—I think not; I did not know of any.

117. Do you believe that a call upon the shareholders, who you have stated you believe possess an aggregate fortune of 10,000,000*l.* and upwards, would have produced to the bank present money at any period from November up to the time when the bank closed its concerns?—I think if we had made a general call upon the shareholders, stating our circumstances, we should have got a considerable sum of money from them; but when we take the property of our shareholders at 10,000,000*l.* of money, it is taking a man to be possessed of an estate, and therefore it would not be ready money available.

118. In your opinion, would such a call have produced you available money to meet present engagements from so rich a proprietary?—I think if we had called them together at a general meeting, we should have got sufficient money to carry it on without assistance from the Bank of England.

119. Notwithstanding that you entertain that opinion, there was no proposition made at the board, so to require assistance from the proprietors?—I do not recollect any.

120. Sir *R. Peel.*] When that application was made to the bank of England, in November 1836, what was the amount which had been paid up upon each 10*l.* share?—The whole amount.

121. At what time was the whole amount paid up?—I think in the year 1835; we had four calls of 2 *l.* 10 *s.* each.

122. What was the total amount of the capital of the bank?—Nearly 800,000 *l.*

123. What was the amount of the difference between the nominal capital and the paid-up capital?—We had 20,000 shares undisposed of.

124. Therefore there was no power on the part of the directors to call for any further instalment upon the shares?—No.

125. But were there not several of the directors who had over-drawn accounts with the bank?—There were.

126. When you found this pressure did you call upon the directors who had over-drawn accounts to pay the debts due to the bank?—We called upon both the directors and everybody else.

127. Did they pay?—We got a good deal of money; we did not get all.

128. Do

128. Do you recollect what proportion of the debts you got?—I do not; perhaps the manager may be able to answer that question.

129. Before Mr. Evans came to town had you made that demand upon the directors who were indebted to the bank to pay the sums due?—Yes; we made many applications to all our debtors, and of course to our directors too; and I think in September, October and November, we made continual applications to get money in.

130. You think that you made application to the directors who had over-drawn accounts, to pay up the sums due by them to the bank in September?—We did.

131. After September was there any instance in which a director was allowed to overdraw his accounts?—Yes, I think there was; but he did not increase his account, I think. Perhaps the advance might be continued.

132. But you say that in September you called upon all parties to liquidate their accounts with the bank?—We did.

133. And yet you think that the directors were allowed to have advances from the bank after that general call had been made?—I think their accounts remained, but the advance was not so large in some instances.

134. Was there any instance in which they were allowed to increase their balance?—There might or might not be; I should not think that there was; in fact, we were pulling in both at the head-office and at the branches, as much as we could.

135. And equally to the shareholders and to other parties?—To every one the same.

136. But there had been more facilities given to shareholders than to other parties?—No; I think we never took into account a person's being a shareholder, except when he became a bankrupt.

137. Out of the number of persons who were indebted to the bank 2,000 *l.* and upwards, what proportion was there of shareholders?—I cannot say.

138. Suppose it should appear that there was a large proportion of shareholders, should not you think that greater facilities were given to shareholders than to other persons?—It would appear so; but we never did take into account the circumstance of their being shareholders.

139. Mr. *O'Connell.*] You say that you yourself discovered in December the real cause of the distress?—When I came to London I found out the real cause of our distress. It was, that the Bank of England had set their face entirely against discounting any of our paper or the paper of any joint stock banks of issue, in consequence of which we could not get any discount. They would not do anything for joint stock banks of issue.

140. Had not they raised the rate of interest?—They had raised the rate of interest to five per cent.

141. Are you aware that they diminished the amount of circulation?—I suppose they did.

142. In December you discovered what had been the real cause of the distress?—I did.

143. Was not one result of that limitation of circulation to bear upon persons in trade who were your debtors?—Yes.

144. Their means being limited?—Yes.

145. Their difficulties of raising money increased?—Certainly.

146. Did many fail?—There were some failures in Yorkshire; we had very little failing in Lancashire.

147. When did your bank determine to wind up the concern altogether, and to terminate business?—Never.

148. Have you entered into no contract to discontinue the business of the bank?—We have entered into a contract with the Bank of England to discontinue our business till their debt is paid off.

149. Do you look to the continuance of your business?—It will depend entirely upon our shareholders; according to our deed of settlement we cannot dissolve the bank without we lose 25 per cent. of the capital.

150. Have you any doubt that you have lost 25 per cent. of the capital?—At this time we have not lost anything like it.

151. Do you mean to say, that after you have paid the Bank of England, discontinuing business so long, your aggregate loss will not amount to 25 per cent. of the capital?—I do, nor anything like it.

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152. Have you any document to justify you in that statement?—I have a document here, the third annual report of a meeting which we held last Thursday, which shows the assets of the company, and the loss which will most likely be sustained.

153. Will you put it in?

[*The same was delivered in, and read as follows:*]

THIRD ANNUAL REPORT of the Directors of the *Northern and Central Bank of England.*

"Manchester, 23 February 1837.

"THE directors of the Northern and Central Bank of England in bringing forward their report to the shareholders at the present meeting, beg leave to state, that they have gone through the books of the company with considerable care, from its commencement to the 31st December last, and have to report the following as the result of their investigations:

				£.	s.	d.
The total sum of profit derived from business accounts from the 17th March 1834, when the company first began, to the 31st December last, is				145,699	16	8
Received for premiums during same period				34,881	10	–
Total profits at 31st December 1836				180,581	6	8
Deduct dividends paid during the same period	93,784	2	1			
Interest due to the Bank of England to 31st December 1836	3,306	–	–			
Solicitors' bills and law charges, say	1,200	–	–			
				98,290	2	1
Leaving an amount to be placed against all bad debts, from the commencement, of				82,291	4	7

"The directors went through the list of bad debts up to the 31st December last, with the anxious view of making such allowance for loss on each, as, in their judgment, would be sufficient to meet any actual deficiency which might arise; and they have to state, that it was their opinion that it would require, to cover the losses at head-office and thirty-eight branches, the sum of 97,979 *l.* 2 *s.* 1 *d.* for this purpose, which would leave a deficiency in the assets of the bank, after paying all liabilities, of 15,687 *l.* 17 *s.* 6 *d.* below the amount of capital due to the shareholders.

"Since that period, however, owing to the difficulties of the times, a great many failures have taken place, which were not contemplated, and the directors cannot say positively what the loss will be; they hope, however, that a loss of 15 *s.* per share will cover everything, but they do not think, under the worst circumstances, and making allowance for all contingencies, that a greater loss than 1 *l.* per share can be incurred. Under the worst circumstances, therefore, that they can anticipate, a working capital of about 700,000 *l.* will be left to the bank.

"It may be proper to mention, although credit is given in the foregoing statement for interest due to the Bank of England for only 3,306 *l.*, the amount charged by the bank is 24,363 *l.* 18 *s.* 3 *d.*; but as this amount of interest for advances in cash extends over a period reaching from 31st December 1836 to the 31st July next, and as the Northern and Central Bank will be receiving interest in the meantime from the outstanding balances of accounts in its favour, and will also be entitled to interest from the Bank of England for cash repaid to it during the same period, the amounts received from these sources may be fairly set against the charge of interest made by the Bank of England.

"After the innumerable rumours of the immense losses said to have been sustained by this bank, so as seriously to affect its capital, the directors trust that the above statement will be deemed satisfactory, especially after the very short time allowed for closing so many branches, and the rapidity with which the outstanding debts are in progress of being called in.

"The

" The directors are proceeding in their endeavours, efficiently assisted by the committee of inspectors, to get in the outstanding balances due to the bank, and to liquidate its liabilities, both at the head office and the branches; and no exertions shall be wanting on their part to repay the Bank of England and the London and Westminster Bank as soon as possible; after which it is their intention to call a general meeting of the shareholders to consult them as to the steps to be taken in reference to any future proceedings of the bank.

" In pursuance of the deed of settlement, the directors have proceeded to ballot out two of their number, and they have to report that the lots have fallen upon Messrs. Thomas Agnew and William Vernon, whose places will have to be filled up by the shareholders now present, as provided by the 96th clause of the deed of settlement just referred to.

" By order of the Board of Directors,
" *Thomas Evans*, Manager."

" Manchester, 23d February 1837.

" *Northern and Central Bank of England.*

" At the Third Annual Meeting of the Shareholders, held this day, Benjamin Braidley, Esq. in the Chair: the Circular convening the Meeting having been read, and also the Report of the Directors upon the state of the Bank, it was unanimously resolved,—

" 1st. That the Report now read be adopted.

" 2nd. That Mr. Aaron Lees and Mr. Joseph Armstrong be elected Directors in the room of the two retiring Directors.

" 3rd. That the most grateful thanks of this meeting be given to James Burt, Esq., Thomas Broadbent, Esq., E. Connell, Esq. and T. Harbottle, Esq., for the very important services they have rendered to all the shareholders of the *Northern and Central Bank*, as inspectors of the affairs; and they be respectfully requested to continue their services till the engagements entered into, on the part of the Bank with the Bank of England, are fully paid off and satisfied.

" 4th. That the best thanks of this meeting be given to Mr. Stell, for his efficient and honourable conduct as a director; and that he be respectfully requested to continue his services as a director.

" *Benjamin Braidley*, Chairman."

Mr. Harbottle being called to the chair, it was resolved unanimously,

" That the best thanks of this meeting be given to Mr. Braidley, for his able, impartial and straight forward conduct in the chair."

154. *Chairman.*] Was this report submitted to the committee of inspectors, and did it meet with their concurrence?—It was submitted to two of the inspectors; there were only two in town, Mr. Burt and Mr. Harbottle; Mr. Burt and Mr. Harbottle examined it; Mr. Burt thought at one time that 10*s.* per share would be sufficient for the loss; I said, you had better make it as bad as you can, and make it 15*s.* to 20*s.*; he altered his paper, and made it 15*s.* to 20*s.*

155. What paper do you mean that he altered?—The report which he had; the draft report.

156. Are the Committee to understand that this document was prepared by either of the inspectors, because it purports to be a report of the directors?—Partly under their sanction.

157. Mr. *Attwood.*] Then this report, which estimates the loss at from 15*s.* to 20*s.*, is founded in reality upon the calculation of gentlemen who never acted as directors in the association?—It was prepared by the accountant, and submitted to the board of directors; submitted to the finance committee, and afterwards inspected by Mr. Burt and then Mr. Harbottle, and then approved of.

158. Mr. Burt and Mr. Harbottle are gentlemen that were shareholders but not directors, and who have interfered at the recommendation of the Bank of England?—They are.

159. Then those gentlemen did not make the calculation, but they adopted it?—They saw the documents, they saw what the assets were, and what the liabilities were, and they examined the accounts.

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160. Mr. *O'Connell.*] Did they verify the materials that constituted that result?—I believe they did.

161. Mr. *Attwood.*] Did they sign their name to any document which gave their authority to the calculation?—I think not.

162. Mr. *O'Connell.*] They must have been apprised that it would be printed?—Yes.

163. Did they signify in your presence their assent?—Mr. Burt and Mr. Harbottle both signified their assent that it would be fully realised. Another of the inspectors, Mr. Broadbent, at the meeting on Thursday, got up and said, that he thought the report too favourable; Mr. Broadbent had been at Leeds, which is a very bad branch; we lost an immensity of money there; he came, therefore, under a cloud, being dissatisfied, and he thought that it was too favourable; however, I told him, "We have taken off 28,000 *l.* for the loss at Leeds, if you think that is not sufficient, I will order the accountant to make it 40,000 *l.*," which I did, so that we estimate the loss at Leeds at 40,000 *l.* dead loss. I was quite convinced it will not be so large, but still we thought we had better be on the safe side.

164. Mr. *Attwood.*] Did any other of the directors express his sentiments as to that being a favourable or an unfavourable calculation?—I do not recollect that they did.

165. Are there several other inspectors?—There are four altogether.

166. Sir *J. Wrottesley.*] Are the Committee to understand from this statement that you conceive that the sum of 97,979 *l.* will cover all the bad debts?—I think a larger sum than that will be required to do it.

167. Are you aware that the Committee are in possession of a statement of the accounts of the directors of the Northern and Central Bank, the result of which is, that there is owing by those directors the sum of 255,856 *l.*?—No, I am not aware of that.

167*. Will you have the goodness to look at that paper [*a paper being handed to the witness*]?—This is taken, I presume, by the Bank of England; it is a matter that I cannot speak to.

168. You will see your own name at the bottom; will you state whether that statement, as far as regards yourself, is correct?—Henry Moult, 7,500 *l.*; that is right. Private ledger, 4,787 *l.*, and 6,107 *l.*

169. Making 18,388 *l.* altogether; is that right?—I think it is not. I do not owe the bank that money now.

170. Mr. *O'Connell.*] Did you on the 3d of January 1836?—It may be correct; this is taking the private shares in. I owe the bank now about 7,000 *l.*

171. Sir *J. Wrottesley.*] As a director, are you prepared to state that this account is not correct at the period at which it is dated?—I am not at all prepared to say either that it is or that it is not. I appealed to the directors of the Bank of England; I think to Mr. Dobree. I said, "If you will allow me to go through the account with you I will check it, and see whether it is correct;" they never did so; therefore they put it down just as they found it in the books.

172. Sir *R. Peel.*] Cannot you state whether on the 3d of January 1836 it is probable you owed to the bank 18,383 *l.*?—I think it is very probable.

173. Sir *J. Wrottesley.*] Did you assist in estimating the bad debts?—I did.

174. Were you then aware that the amount of 255,000 *l.* was owing by the directors?—Yes, of course I was.

175. In taking the bad debts did you allow anything for deficiencies that might arise in the payment of any part of that?—Not at all.

176. Then in estimating the account then, you considered that 255,000 *l.* owing by the directors as all money which would be recovered?—Yes; and the reason we have done that is, simply, that each director was called upon immediately to give security for his debt.

177. *Chairman.*] At what period was this call made?—Early in January.

178. And that security was given?—It was.

179. In all cases of advance by the directors?—In all cases of advance by the directors, the directors have covered their accounts, and the inspectors have expressed themselves perfectly satisfied that the accounts are fully covered and more.

180. What species of security was given?—There are deeds; and a good deal

deal of it consisted of shares in different institutions; but I think they are all valued. There are in the London and Westminster shares a very considerable sum, which I think is being realised; now, in fact, I have realised my shares in the London and Westminster.

181. Sir *J. Wrottesley.*] It appears by the account that James Hardie & Co. owe 70,490 *l.*; is there security for that?—The house has given securities. Altogether, I think Mr. Hardie's was 90,000 *l.* or 100,000 *l.*

182. Are you aware upon what property these securities are?—Different properties and shares, and some deeds of freehold property.

183. Mr. *O'Connell.*] What is the business of that house?—Large commission agents.

184. You have said in this printed statement, that to cover the losses the sum of 97,979 *l.* would be sufficient?—Up to the 31st of December.

185. Is it your opinion that that is correct?—It was, up to that date.

186. Sir *J. Wrottesley.*] Do you mean to say that if calculated at present the loss would be greater?—Much greater.

187. In this general statement, from the 9th of January to the 24th of December 1836, there are at the close of the month of June about 52,000 *l.* due to the bank upon past due bills; there is on the 24th of December the sum of 108,000 *l.* and upwards upon past due bills; have you taken into account the probability of recovering the amount of that 108,000 *l.* of past due bills?—Wherever we had security for any past due bill we had in hand, we have taken it as good, provided the security is good; if the parties became bankrupt and we held no securities, we have written it off altogether.

188. Are you aware of any cause for the very great increase in past due bills between June and December?—Up to June I believe we had not made at the head office 2,000 *l.* bad debts; after June we made some bad debts, I do not know to what amount.

189. Is that great increase owing to your having refused to renew bills subsequent to June?—I do not think so.

190. Mr. *O'Connell.*] Were you in the habit of renewing bills?—Not to my knowledge; I believe that some of our managers have done it without the consent of the board; we never sanctioned a thing of that sort. An increase of past due bills would arise in this way, that we immediately desired the branches to send us all the past due bills they had, which would increase the amount at the head office considerably.

191. Can you form any estimate in round numbers of how much ought to be substituted at the present time for this 97,979 *l.* to cover bad debts?—We have taken the whole 97,000 *l.* off entirely.

192. But you say that you ought to take off more?—We have taken off a very considerable sum; then we found that taking 97,000 *l.* only leaves a deficiency of 15,000 *l.*

193. Mr. *Attwood.*] How much do you estimate to be the amount of the loss?—We think that 15 *s.* per share will cover it; that will be about 60,000 *l.* to 70,000 *l.* more.

194. Do you include in that the 40,000 *l.*, to which you increase the Leeds loss from 28,000 *l.*?—That is included.

195. In what is that included?—A part of the 40,000 *l.* is included in the 97,000 *l.*, and a further sum is included since.

196. Having to issue a publication on the 23d of February, why did you not include in your estimate the losses up to that period?—We could not do it, because we did not know the losses that we should sustain; but supposing all the losses to come out bad, we say that it cannot exceed 1 *l.* a share.

197. How many shares are there?—There are 100,000 shares, and there are 80,000 shares disposed of.

198. Therefore that would be 80,000 *l.*?—Yes.

199. Sir *R. Peel.*] Were shares allotted to the Northern and Central Bank by any other banks; did the London and Westminster, the Yorkshire District Bank and the Royal Bank of Ireland allot shares to the Northern and Central Bank?—They did, to the directors.

200. For what purpose?—The London and Westminster allotted shares to the Northern and Central Bank for the purpose of business.

201. For the benefit of the bank?—For the benefit of the directors who bought the shares.

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202. Then they were not allotted for the benefit of the establishment, but for the benefit of the directors?—Yes.

203. Was it a public transaction, and made known to the proprietors generally?—I do not recollect that it was; I was confined at home at the time.

204. Did you receive any shares?—I did.

205. Under that arrangement?—Being part of the shares appropriated to the directors.

206. Who were present at the meeting of the directors which sanctioned such an appropriation of shares?—I do not recollect.

207. Were you consulted upon it?—I dare say I was; when I returned to the bank I had a death in the house, and I was not attending then.

208. How were those shares paid for?—They were paid for by cheques upon the bank.

209. Then there was some advantage which the directors had in taking shares in the Northern and Central Bank; were they given to you at par, or at the premium they were then bearing in the market?—They were given at par.

210. Therefore there was an individual advantage to the directors upon receiving the shares?—I was told that the shares in the London and Westminster Bank were at a premium of from 10*s.* to 15*s.*, and that they had appropriated them to the directors at par.

211. How were they paid for?—If I got some shares, I gave a cheque upon the Northern and Central Bank for them.

212. Mr. *O'Connell.*] On your individual account?—Yes.

213. Sir *R. Peel.*] Then that went out of the funds of the bank?—They were paid for by a cheque, just as I would draw a cheque upon any bank; it was part of the funds of the bank, because I drew it out of the bank.

214. Did each of the directors pay in the same manner?—I believe so.

215. Was there any arrangement that each should be entitled not only to receive shares, but to pay for them by a draft upon the bank?—I do not know. If he had money in his pocket, he might pay in any way he pleased; but I chose to pay by a cheque upon the bank.

216. Was it a merely accidental circumstance that, instead of drawing a cheque upon a London bank, each director drew it upon the Northern and Central?—He might if he liked.

217. Was it discussed whether the directors should be considered entitled to pay for the shares in that way?—Never; in fact I think one of the directors paid the money out of his own pocket, if I recollect right.

218. Was there an understanding as to the principle upon which the appropriation of those shares should be made?—No; the shares were to be divided among the directors.

219. In given proportions?—In equal proportions.

220. Did the directors take upon themselves any of the shares of the Northern and Central Bank which the public did not take?—They did.

221. Did they pay for them the whole of the premium which those shares were then bearing in the market?—It was taken in this way: Supposing a lot of shares had been allotted to A. or B.; if they refused them, then a director took them, if he liked, at the price they had been allotted at.

222. Mr. *O'Connell.*] Then any premium there was went out of the pockets of the directors?—I think they were all at premiums at that time.

223. Sir *R. Peel.*] Did the directors take them at par, or with a less premium for the shares than they bore in the market at the time?—I do not call to mind whether they were higher in the market or not. They might be a little higher in the market; I think they were a little higher in the market.

224. Upon what principle could the directors think themselves entitled to take the shares on their own account at a less premium than they bore in the market?—It was discussed at the board in this way, that if we appropriated shares at the board to A., B. and C., and A., B. and C. would not take them, we should take them ourselves; because if we did not take them ourselves, the parties would say that we had appropriated shares at a higher premium than we ought to have done; in consequence of which they were allotted to the directors.

225. What public object was answered by allotting them to the directors?—

I cannot

I cannot see any, except keeping up the shares that had been allotted, and keeping up the capital of the company.

226. When shares were sold on account of the bank to an indifferent party, and a premium was paid upon those shares, did the profit of the premium go to the bank?—It did.

227. That is to say, supposing a 10 *l.* share sold for ten guineas or 11 *l.*, and that it was taken by an indifferent party, in that case the profit upon the transaction was a profit due to the bank?—Yes.

228. Then if shares were sold to the directors at a smaller premium than that which they brought in the market, was not there a loss to the bank to the amount of the difference?—Certainly.

229. Upon what principle do you think that would be justified; was it made known to the shareholders?—I do not think it was; I do not think it can be justified upon the ground that it was put upon. The only justification is simply this: that we took them at the price at which they had been allotted, whether they were high or low. If they had been lower we should have taken them.

230. Was there any instance in which, with a view of supporting the credit of the bank, shares were taken by directors at a discount?—I cannot say that there was; when the bank was formed, a certain number of shares were appropriated to us, and they came to a discount after that.

231. Did the directors ever take unsold shares at a discount?—I do not think they did.

232. Was there an understanding that those shares were not to be parted with when taken by the directors?—There was an understanding at the board that they should retain their shares for three years.

233. And that was done in order that the shares might not be discredited by too great a number being offered in the market?—Yes; at the same time if I wanted to sell shares, I gave notice to the board that I wished to sell some shares, and I should get the consent of the board, and be allowed to sell.

234. Although there was a general understanding at first that the shares should not be sold?—That is to say, they must be sold in three years, because we might go out of office in three years' time, and therefore we must either pay for them or sell them within three years, because we must have the money in the coffers of the bank.

235. Mr. *O'Connell.*] Then you did not pay for the shares?—We did not pay for the principal part of our shares.

236. Sir *R. Peel.*] It was a debt then?—It was a debt.

237. What interest did you pay upon that debt?—Four per cent. for the first nine months, and five per cent. afterwards.

238. Sir *J. Graham.*] At the time you drew your cheque to pay for your allotted shares for the London and Westminster Bank, the Yorkshire District Bank and the Royal Bank of Ireland, was yours an overdrawn account?—I dare say it was; sometimes one way, and sometimes another.

239. Do not you recollect which way it was when you drew that cheque?—No; I dare say it would be overdrawn upon the private account, but the public account was sometimes one way, and sometimes the other.

240. If, judging from the private ledger account, which on the 3d of January appears overdrawn by you to the amount of 11,000 *l.*, must it not have been also when you drew this cheque an overdrawn account?—I think it was.

241. What interest was charged to a director upon an overdrawn account under that head of private ledger?—I have stated for the first nine months four per cent., afterwards five per cent.

242. Was there any distinction as to the rate of interest upon an overdrawn account in the private ledger opened by a director, and other accounts overdrawn?—I think not.

243. Sir *J. Wrottesley.*] Did you charge less than five per cent. upon any overdrawn account at any time, except to the directors?—Yes, some overdrawn accounts were only charged three and a half per cent.; money at one time was very plentiful, and we only charged three and a half per cent. upon many of the accounts.

244. *Chairman.*] Who received the dividends upon those shares which were so apportioned to the directors?—The directors received the dividends.

245. Mr. *O'Connell.*] What is your own business?—I am a cotton merchant.

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246. Mr. *Attwood.*] Were the shares that were allotted by the Yorkshire Banking Company and the Royal Irish Bank taken on account of the Northern and Central Bank, or taken by the directors individually?—They were taken by the directors individually.

247. In all three?—In all three; there is another, the Agricultural Bank and Commercial Bank of Ireland.

248. With regard to the shares in the London and Westminster Bank, did the Northern and Central Bank make applications for those shares in the first instance, or were they offered to them?—I do not recollect the negociation with the London and Westminster Bank.

249. What might be the motive of the London and Westminster Bank in allotting shares to the Northern and Central Bank?—I presume it was for the sake of having the business of the bank.

250. They were taken as offering some advantage to the parties taking them?—I should think so.

251. Did not the advantage belong to the proprietors at large, and not to the individual directors?—Yes, if there was any advantage in it; but we did not consider there was any advantage in it ourselves. I have sold my London and Westminster Bank shares at a loss of between 200 *l.* and 300 *l.*

252. Did they bear a considerable premium at any time since you took them?—I am told that they have borne as much as 7 *l.* or 8 *l.* premium; but it is a matter that I never thought of, for I did not take them to dispose of; but I have sold them, and I am a loser now.

253. Would you have taken them if you had not thought that there was a good prospect of their coming to a considerable premium?—I would rather not have taken them at all.

254. Now?—No, at the time; for I paid a part of the money myself without putting it to the account.

255. If you thought there was an advantage at the time, would not you think that that advantage, whatever it was, of right belonged to the proprietors of the Northern and Central Bank?—At the time they were taken I think it belonged to the proprietors.

256. Did the Northern and Central Bank allot shares to individuals in order to gain business?—It did.

257. Therefore the London and Westminster Bank allotted shares to you to obtain your business, and you allotted shares to the parties in Lancashire to obtain their business?—We did.

258. Mr. *Jephson.*] What would have been the amount of your own individual profit if at the time you received the shares of the London and Westminster Bank, you had sold them?—I was told that when those shares were allotted to us they were at 10 *s.* to 15 *s.* premium.

259. How many shares did you take?—One hundred and ninety-six.

260. Sir *T. Fremantle.*] In what month were they allotted to you?—I am not certain whether it was January or February.

261. Mr. *J. Smith.*] How many directors have you?—Ten.

262. Were the following the names of the directors: Mr. Agnew, Mr. Binyon, Mr. Hall, Mr. Woodall, Mr. Moult, Mr. Braidley, Mr. Fernely, Mr. Hardie, Mr. Stell, Mr. Thorp?—All, except Mr. Thorp, were directors. Mr. Thorp is not a director; he is a managing director.

263. Then who is the tenth?—Mr. Vernon.

264. Do you know what Mr. Agnew was?—Yes, he is a picture-dealer.

265. Does he keep a print-shop?—He does.

266. Would you, in private transactions in trade with him before the establishment of the bank, have given him any large credit?—I never knew Mr. Agnew till he was one of the board of directors, and I think if he had applied to me for credit, I should have trusted him for any moderate sum of money.

267. Would you have trusted him 100*l.*?—I should.

268. Would you have trusted him 500*l.*?—I think I should; I thought him a man of good credit, and if he had come to me to purchase anything in my way, I should have trusted him 500*l.* and upwards.

269. He keeps a common picture-shop does not he?—It is a very large concern; I think that the stock, which has recently been taken, is from 12,000*l.* to 15,000*l.*

270. In prints?—In glasses, and prints and all kinds of books, and things of all sorts; he is in a very large way.

271. Has he a partner?—He had a partner of the name of Zanetti.

272. Has he largely overdrawn with the bank?—About 2,000*l.*

273. You think that Mr. Agnew deserves a large credit?—I should trust him 500*l.* and upwards.

274. What is his account overdrawn?—He has a large amount overdrawn.

275. It appears to be 23,903*l.*?—Yes.

276. Should not you consider 1,000*l.* a large credit to have given him?—Without security, I should think it was.

277. Mr. *O'Connell.*] Did he give security?—We held the shares as a security.

278. Shares which he had not paid for?—Yes.

279. Mr. *Smith.*] Who is Mr. Binyon?—A tea-dealer.

280. Is he in a large way of business?—I believe he is; he is a man of very good property.

281. But in a moderate scale of business?—A pretty large business; he has several shops.

282. Does not his wife stand behind the counter to serve the customers?—I do not know; I never bought anything in the shop in my life.

283. It is a small shop, is it not?—It is a very handsome shop in St. Anne's square; it is his own property all round there; he is a man of very good property.

284. Who is Mr. Hall?—A gentleman out of business; possessed of a good deal of property in houses, and a pretty good income.

285. Do you know what Mr. Hall's course of life has been?—No, I did not know Mr. Hall; in fact, I did not know one of the directors before I joined them.

286. * * * * * * *

287. Would it be possible that there should be 10 leading men in Manchester appointed as directors of the bank, with whom you would have been previously unacquainted before meeting them at the board of direction?—I should know them certainly.

288. * * * * * * *

289. Is not he a brickmaker now?—I do not know.

290. Has he not been a brickmaker?—He may have been.

291. Mr. Woodall, what is he?—Mr. Woodall is a draper.

292. Is not he a grocer?—A draper; a very large buyer of woollens in the Leeds market.

293. Mr. Braidley is a manufacturer?—He is.

294. His account appears to have been on the 3d of January 1836, 30,347*l.* overdrawn. Do not you consider that a large credit to have given to Mr. Braidley?—Certainly; I had not the least idea it was so large.

295. You would have given him no credit of that kind in any other transactions of business with him?—I would have given him credit for a certain sum, but nothing like that amount.

296. Do you know how it occurs that in the public books Mr. Braidley's account appears only 6,500*l.* overdrawn?—I think he gave a security; the bill is long dated, but I do not recollect the amount of it; it is a very good bill.

297. Was that amount written off his account?—It was a bill discounted, and placed to his credit.

298. On whom was that drawn?—On Butterworth and Brookes, I think; at least it was their bill.

299. Mr. Fernely, what is he?—A gentleman out of business.

300. Is he a man of some property?—I think he is.

301. Mr. Hardie?—We have always looked upon Mr. Hardie as being a man of good property; but he is so much involved in shares that I do not know what value to put upon those things now.

302. What is his business?—A general agent.

303. Mr. *O'Connell.*] Is he much connected with the Agricultural and Commercial Bank?—He is.

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304. Mr. *Smith.*] Is not his business known in Manchester as being that of a speculator in shares?—That is not his business.

305. Is not that his principal occupation?—I never knew it to be so; I know that he has two large warehouses, and an immense quantity of goods and twist in those warehouses, which he buys.

306. You gave him immense credit, 70,000 *l.*?—I think it is a shameful credit.

307. Utterly undeserved by any knowledge you have of his means?—Either by him, or any other man, in my opinion, it is undeserved.

308. Mr. Stell, what is he?—Mr. Stell is an American, a very respectable man; an American agent.

309. Mr. Thorp?—He is the managing director. I think he is a man of some property, but I do not know what property he may have.

310. How was it he was elected to be managing director?—He was elected before I was a director; I do not know how long.

311. Do you consider him competent for the situation of managing director?—What little he has to do is only to attend the board of directors, and to take down the proceedings; I think he is competent to do that.

312. Do not you know what his previous history was?—No. I knew his father, Dr. Thorp, very well, and I know him to be his son; the old gentleman was a very respectable man.

313. Was not he a clerk in the town-hall?—Yes; I know he was a clerk in the town-hall.

314. A mere writing clerk?—He was the head of the officers in that establishment.

315. What business was entrusted to his charge as clerk in the town-hall?—I think all the accounts went under his eye.

316. Has he any means, to your knowledge?—His father left him, I was told, a good sum of money.

317. Have you ever heard that he was without any money?—No; I always understood that he had good means.

318. Mr. Vernon?—Mr. Vernon is a hop merchant.

319. Was Mr. Thorp a person that you would have entrusted with the management of your own affairs?—I never knew anything about Mr. Thorp's capabilities.

320. You had considerable experience of him at the board of direction?—Now I have had, but not before.

321. Having now had experience, is he the sort of person you would have entrusted with the management of your own affairs?—If he had been acquainted with my own affairs, I should have entrusted him with them, but my concerns are so different from what he could undertake.

322. *Chairman.*] Is there any one of your colleagues in the direction of the bank that had previous experience in banking business?—I do not think there was one.

323. Mr. *Clay.*] Having been reminded as to the previous condition in life of your colleagues in the direction, do you still remain of opinion that the whole sum which they are now indebted to the bank of 255,000 *l.*, is to be considered as good assets?—I think it will be good. I do not see a danger of any loss except in the case of Mr. Hardie, who is a tremendously large shareholder; and shares have taken such a destructive turn, that I cannot say.

324. You have some doubt as to Mr. Hardie's?—I would rather not express a doubt upon the subject.

325. Having expressed an opinion already as to those sums being all good assets, do you wish to modify that opinion?—I wish to qualify it in this sense; that I think the securities of the directors are good; but if Mr. Hardie was bound to sell his shares in the Agricultural Bank, and one or two other concerns, there might be perhaps a loss.

326. You have already stated, that there was security given for nearly the whole of those debts?—I mentioned particularly in Mr. Hardie's case, security for 90,000 *l.*

327. In the case of Mr. Agnew, you recently stated that part of the security was shares in the Northern and Central Bank; do you consider those shares among the securities which you consider render the sum of 255,000 *l.* safe?—Yes, I do.

328. You are understood to say, that for the debt which Mr. Agnew owed to the bank on the 3d of January, the bank holds security?—Yes, it holds securities, consisting of shares in the Northern and Central Bank, and other securities.

329. Part of the security for the debt of Mr. Agnew consists of shares in the Northern and Central Bank?—It does.

330. Has he paid for those shares?—No.

331. Then how can they be a security?—They are put to his debit. Supposing he was to sell his shares to any one else, and the amount came to 5,000*l.* or 6,000*l.*, we should receive that money.

332. Mr. *O'Connell.*] It is written off both ways?—Exactly.

333. Sir *J. Wrottesley.*] Are the shares at a discount now?—Yes, I think they are; the last that was sold, I think, was 6*l.* 10*s.* to 7*l.*

334. Inasmuch as they are at a discount of 3*l.* 10*s.*, that diminishes the security of the remainder?—It does.

335. Mr. *Clay.*] When those advances were made to the directors, were they sanctioned in all cases by any resolution of the whole board of directors?—They were sanctioned by all the directors.

336. Was it in all cases known to the whole board of directors that the advance was made to each individual director?—Yes, I think it was generally known; indeed it was always known when there was an advance to any director.

337. Is there any case in which a director applied for an advance which was refused by the board?—Yes, Mr. Hardie applied for an advance, I think, which was refused, his account being so large.

338. Was any rule laid down as to the sum which might be advanced to a director?—There was a rule that no more should be advanced to a director than to any other man; that he should have a certain advance according to the business he did.

339. Why was there a private ledger kept of the advance to the directors?—There was no private ledger, I understand, till about 12 or 15 months ago. The accounts were all upon the general ledger, but I think the accountant will be able to give a better answer to this question than I can, because it is a ledger that he kept himself.

340. Sir *J. Graham.*] Had the directors access to it?—They had no access to it, except through Mr. Lyle, the accountant.

341. Then they could only see their own individual accounts, and not the accounts of other directors?—All the accounts were laid before us once a week.

342. The question now refers to the private ledger. Was the private ledger laid before the directors?—No.

343. Then in that ledger a director could only see his own account?—If I chose to call for that private ledger, I could see every account.

344. Were you entitled to call for it?—Certainly.

345. Sir *R. Peel.*] Was every director entitled to call for the private ledger?—Certainly.

346. Sir *J. Graham.*] In whose custody was it?—The accountant's.

347. And the accountant was bound to produce it upon the requisition of a director?—Yes.

348. Mr. *Clay.*] You do not know upon what grounds that private ledger was commenced?—I think the accountant will state his reasons for it.

349. *Chairman.*] Was there any resolution come to by the directors as to that ledger?—I do not think there was any.

350. Are the Committee to understand that that private ledger was commenced and kept by the accountant on his own authority, or as acting under the authority of the board of directors?—I think it was first commenced by himself; afterwards it was sanctioned by the board of directors.

351. Mr. *Smith.*] Have you got the private ledger with you?—The accountant has it.

352. You are aware, of course, of the report made to the Bank of England as to the affairs of the Northern and Central Bank?—Yes.

353. Was there a visit made to Manchester by two of the Court of Directors and the solicitor of the Bank of England, to inspect the affairs of the Northern and Central Bank?—There was.

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354. While they were there, were you in communication with them?—I was.

355. How long were they there?—I think about eight days.

356. Did they make a very full examination of the affairs of the Company?—They did.

357. They drew up a report to the Bank of England as to the result of that examination?—I did not see that report.

358. Did you ever hear it read?—No, I do not think I did.

359. You are not privy to the fact of their having made a report?—No.

360. *Chairman.*] Did you see the statement of the accounts of the Northern and Central Bank, which that deputation from the Bank of England made up during their visit to Manchester?—I wished Mr. Dobree would allow me to go through the accounts with him, but he did not.

361. Did he show you his statement of the accounts, and his calculation of the state of the affairs of the Northern and Central Bank?—He did not.

362. Mr. *Smith.*] Was there not a committee of the shareholders called at Manchester previous to the departure of the Bank directors and the Bank solicitor, at which they were present?—There might have been a meeting of the shareholders, but there was none called by the board of directors.

363. But there was one called?—Yes.

364. At which you were present?—No, I was not present.

365. *Chairman.*] Was Mr. Braidley present, or any of the gentlemen who are summoned as witnesses?—If the question refers to Mr. Dobree, Mr. Prescott and Mr. Freshfield, they called the four inspectors together, and at that meeting I was present; but that was not the shareholders, that was the four inspectors.

366. Mr. *Smith.*] You were present at the meeting?—I was.

367. You heard the statement made as to the result of their examination into the affairs of the bank?—I did.

368. Did you express any opinion as to that statement?—I did not.

369. Did you think it was a fair statement?—I thought the best plan was not to say a word.

370. Did you not state that you thought it a fair statement?—I will not be certain whether I used that expression; I might or I might not; I did not object to that statement.

371. With respect to the apportionment of the shares, a certain number of shares belonging to the Northern and Central Bank were distributed among the directors?—Yes.

372. At what time was that done?—I think there was a large quantity of shares distributed to the board of directors before we commenced business.

373. When was that?—That would be about February or March 1834.

374. *Chairman.*] Was there not a subsequent distribution of shares, in December 1835 and January 1836?—There was a distribution of shares, I think, in December 1835, of 300 and odd shares.

375. Mr. *Smith.*] To each director?—I think to each director.

376. You recollect a division of shares in December 1835. Do you recollect that there was a minute of the board of directors with regard to that division of shares?—Yes.

377. Which you were a party to drawing up?—I was present.

378. Was the same course pursued in January 1836, when there was another division?—I dare say it would be the same.

379. What number of shares were divided among the directors in December 1835?—I think it was about 300 and odd to each director.

380. *Chairman.*] Having now before you the books of the Company, can you inform the Committee with precision what the allotment of shares was which took place at that period?—Sundry shares were allotted on the 31st of December; it seems that those shares were allotted in the names of nominees, 3,365 shares.

381. Mr. *Smith.*] To whose names were those shares transferred?—Thomas Haywood, 335; William Lockett, 335; George Robinson, 335; William Kersey, 335; John Westhead, 335; Robert Hall, 335; Herbert Hardie, 335; John Miller, 124.

382. Are there any in the name of Mr. Vernon?—None; Joseph Hough, 335;

335; Robert Johnson, 200; John Thorpe, 100; J. H. Walsh, 50; J. Lyle, 50; William Goodyer, 50. *Henry Moult*, Esq.

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383. Making a total of 3,365 shares?—Yes.

384. You state that those shares were distributed among the directors?—Yes.

385. What was the object of placing them in the names you have just specified, and not in the names of the directors?—The directors were not allowed to sell shares in their own name.

386. Was that by the deed of settlement?—Not by the deed of settlement, but by an agreement with the directors themselves.

387. And therefore you placed them in the names of other persons for the facility of sale?—Exactly.

388. *Chairman.*] Are the Committee to understand that the names you have now read are the names of persons nominees of the directors, and that the beneficial interest in those shares was in the directors themselves?—It was.

389. Was Mr. Haywood a nominee for you?—He was.

390. Was Mr. Lockett a nominee for Mr. Agnew?—He was.

391. Mr. Robinson for Mr. Fernely, and so on?—Yes.

392. Mr. *Smith.*] The accounts of the directors were debited in the private ledger for the payment on those shares?—They were.

393. Did Mr. Walsh, who was your manager at Liverpool, make a payment on the 50 shares distributed to him?—They were put to his account.

394. Was his an overdrawn account at that moment?—I do not think it was; he was a manager.

395. Mr. Hall, did he pay for them?—No; they were put to his account.

396. Mr. Goodyer, who is he?—He is our teller.

397. Did he pay for his shares?—No, they were put to his account; it was to give him an interest in the bank.

398. Will you refer to the book, and state at what price those shares were transferred?—It seems to me that they were transferred at 10*l.* 7*s.* 6*d.*, and afterwards 1 *l.* was put upon them; that would be 11 *l.*

399. When was that 1*l.* added to them?—Upon the amount of 1,120 shares it was 10*l.* 7*s.* 6*d.* charged, and upon the 2,345 shares it was 10*l.* and 1*l.* premium, and with interest of money it came to about 1*l.* 4*s.*

400. That made 11 *l.* 4 *s.*?—Yes.

401. Will you refer to the transfer book, and state at what price the shares were transferred to the public at that period?—Upon the 21st of December the transfer of shares was 11 *l.* 18 *s.*, 12 *l.*, and 12 *l.* 2 *s.*, and 11 *l.* 6 *s.* 6 *d.*

402. What was the object in dividing the shares distributed on that one day into two separate lists which you have alluded to, part being divided among the directors at the price of 10 *l.* 7 *s.* 6 *d.*, and the others 10 *l.*, with 1 *l.* added?—They were not the same day. They are put in this book on the same day, but they were on different days.

403. Were they not all divided in pursuance of the minute of the directors of the 31st of December?—It appears so from this book.

404. Do you know why that difference of price occurred?—No, I do not.

405. Have you got the minute book here?—No.

406. *Chairman.*] This distribution took place in consequence of a resolution of the board of directors. Does that resolution appear upon the minute book?—I should think it does.

407. Mr. *Smith.*] Is there any resolution as to the mode in which those shares were to be paid for by the directors?—Yes, they were to be placed to the cash credit.

408. Was there or was there not a distinct agreement that the money to be paid for those shares should be advanced to the individual director by the bank?—Yes.

409. You stated that those shares were placed in the names of the nominees for the facility of sale?—The directors were not allowed to sell shares in their own name, in consequence of which we put them in the names of nominees.

410. But you state that there was an agreement between yourselves that these shares should not be sold for three years?—They were to be sold and disposed of before the expiration of three years.

411. Mr. *O'Connell.*] So that instead of a restriction upon not selling shares, there

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there was an obligation to sell them?—They were either to pay for them or sell them within three years.

412. Mr. *Smith.*] What was the object of this arrangement, fixing the term of three years?—Because we retired in three years.

413. The object of that arrangement with regard to the period of time within which these shares should be sold was for the purpose of liquidating the debts due by the directors on their account to the bank, previous to their quitting office?—It was.

414. Mr. *O'Connell.*] So that it should not be known that such a transaction as that of getting credit for the amount of the shares had taken place?—There was no disguise in it; every one knew it; we declared it; we charged it upon the cash credit.

415. Sir *J. Wrottesley.*] Did you ever state it to the proprietors at a general meeting?—No; but it was known to the large shareholders.

416. *Chairman.*] Was the private ledger ever laid before the general meeting?—No.

417. Was it ever alluded to in any report?—Never.

418. Sir *J. Wrottesley.*] In what way was that 255,000 *l.* accounted for in the balance-sheet?—I think the accountant will answer that better than I can.

419. Mr. *Smith.*] Was there any one of your board of directors who remonstrated against that division of shares?—There was a discussion upon the point, but I do not recollect any strong remonstrance at all; but there might have been, for it was discussed for about an hour.

420. Was there no written communication with regard to that on the part of any of the directors?—None that I know of.

421. Did you never hear that Mr. Fernely objected to it?—If Mr. Fernely objected to it, it was about the middle of last year, in July or August, but not at the time.

422. With regard to this division of shares, you are not aware that Mr. Fernely objected at the time?—Not at that time, I think.

423. Sir *R. Peel.*] At what period did the dividends take place upon the shares of the Northern and Central Bank?—The dividends were paid in June; we met in April.

424. Only once a year?—Only once a year.

425. There was no dividend in December?—No.

426. Mr. *Smith.*] What further distribution of shares took place and in what proportion, in January 1836?—Mr. Stell had 1,000 shares; Mr. Haywood, 120; William Lockett, 100; George Robinson, 100; Mr. Kersley, 100; John Westhead, 110; Robert Hall, 110; Herbert Hardie, 110; John Miller, 110; Joseph Hough, 110; making altogether 1,000.

427. That is, 2,000 in all?—Yes.

428. At what price were those shares transferred?—At 1 *l.* premium, and the 1,000 shares to Mr. Stell at 3 *l.* premium.

429. *Chairman.*] What was the reason that 1,000 shares were distributed to directors at 1 *l.*, whilst Mr. Stell had to pay 3 *l.*?—Mr. Stell wished to have a speculation in shares; the price in the market was not 3 *l.*, but he said if we would give him three years' credit, he would give 3 *l.* for them; and we did give him three years' credit.

430. Sir *R. Peel.*] When the shares were appropriated to the directors, were they appropriated with the dividend upon them?—Yes, if there was any due.

431. So that when, in December 1835, the directors received several shares among themselves, there was a half year's dividend due?—There would be.

432. Mr. *Clay.*] When was that dividend paid?—I believe it would be about June.

433. Mr. *O'Connell.*] At what rate?—If it was in the year 1835, it would be at the rate of 7 per cent.

434. Sir *R. Peel.*] Was the dividend made out of clear profits?—I think it was. The accountant has the statement with him.

435. Do you recollect any such transaction as this, that there was not a sufficiency of clear profits to make up 7 per cent., but that there were 29,000 shares still on hand, and that you estimated the value of those shares at 1 *l.* each, and that you included that estimate of in-coming profits among the profits to be divided?—Yes, we did.

436. Mr. *Clay.*] Did you make any dividend between June 1835 and June 1836?—

1836?—I think the new regulation came into force in June 1836, and we made a dividend in August 1836.

437. Was there any dividend made in 1836, before August?—Yes, in May or June, I am not certain which.

438. Sir *R. Peel.*] Upon a certain appropriation of shares, the amount of premium paid by the directors was not 1*l.*, but 7*s.* 6*d.*?—Yes, 10*l.* 7*s.* 6*d.*

439. Then did not that disturb the calculation that 1*l.* premium would be received upon each of the 29,000 shares?—No, it did not disturb that calculation at all.

440. How many shares still remain unsold?—About 20,000.

441. Therefore that was an erroneous calculation by which the profit of 1*l.* per share was included within the profits of a given year?—I think it was erroneous.

442. There were then 29,000 shares remaining unappropriated, and there remain 20,000 unappropriated still. Of the 9,000 that were appropriated, how many went to the directors?—I cannot say that any of those went; they were sold to different parties, very likely in the way of accounts.

443. Was there a meeting of the directors to consider the propriety of including among the profits the possible gain of the advance of premium upon those shares; did that undergo discussion?—It did.

444. Was it considered a matter that would allow of discussion, that a possible gain of 20,000*l.* upon shares should be included among actual profits?—It was discussed, I think, for two days, at two separate times, and in consequence of Mr. Stell having given for 1,000 shares 3*l.* premium, it was thought that the shares, like any other commodity, were a valuable commodity, and it was concluded upon by the board of directors, that we should put on 1*l.* a share, so that we could not sell those shares at less than 11*l.* The value became 11*l.* instead of 10*l.*

445. When the directors received their shares at 11*l.*, did they pay 1*l.* premium?—We paid 1*l.* premium upon the 2,445 shares.

446. Did you make that payment out of your own private funds, in order that when the dividend was made there might be that sum available, or did you merely enter it in your accounts with the bank?—Merely in account with the bank, I believe.

447. You calculated that there would be 29,000*l.* to be gained by the sale of 29,000 shares at 1*l.* each, and in December you divided among yourselves about 2,000 shares, charging yourselves each 1*l.* premium upon each share; did you pay that premium to the bank?—Yes.

448. Did you pay it by a direct payment, in order that there might be so much added to the dividend fund, or did you merely debit yourselves with it in your accounts with the bank?—I think we were debited with it.

449. Mr. *O'Connell.*] There was no actual payment at all?—No.

450. Sir *J. Graham.*] Why did you charge yourselves with 1*l.* premium and Mr. Stell with 3*l.* premium?—Mr. Stell wished to have a speculation, and he took 1,000 shares at 3*l.* premium, giving him three years' credit.

451. But upon that credit he was to pay interest?—Yes.

452. What made you think that 1*l.* was a fair premium when Mr. Stell was willing to pay 3*l.*?—It was not exactly at the same time, though it appears the same date in this book. The matter was negotiated for many weeks before it was concluded.

453. Mr. *Smith.*] At what price were the shares selling in the market on the 1st of January 1836, the period of the second division?—January the 2d, 1836, 12*l.*; January the 5th, 11*l.* 6*s.* 6*d.*, 12*l.* 5*s.*

454. They were at about 12*l.*, and you took them at 11*l.*?—Yes.

455. At the period of that second distribution of shares, was there any objection made to that distribution by any of the directors?—At the time, I do not recollect any.

456. When do you recollect any?—I think, as I said before, Mr. Fernely made an objection about July, last year.

457. What was the objection?—That he had considered the matter, and he would rather not take them.

458. Sir *J. Graham.*] Did Mr. Stell ask for those shares, or did the directors propose that he should take them; with whom did it first originate?—I think with Mr. Stell himself.

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459. Are you sure that the proposition did not come from the directors, that he should take a given number of shares at 3 *l.* premium?—I do recollect that he wanted to take 5,000 shares at one time.

460. Sir *R. Peel.*] What premium would Mr. Stell have given for those shares?—I think he offered 2 *l.* 10 *s.*

461. Why did not you accept that offer?—Because we considered that we should want them, and we could only go to the extent of 10,000 *l.*

462. Then you refused to sell 5,000 shares at a premium of 2 *l.* 10 *s.* about the time that you were allotting them at a premium of 1 *l.* to yourselves?—I do not think we refused it; it was a negotiation; and it came down to a thousand at last.

463. But you say that Mr. Stell offered to take 5,000 shares, and to pay 3 *l.* premium upon them?—I think he spoke of 5,000 shares, to pay 2 *l.* 10 *s.*, to give him credit three years; but we did not like to part with them for three years, thinking they would be of considerably more value in that time.

464. And you objected to part with the shares?—Yes.

465. If you thought that there would be a probable demand for shares at an increased value in a short time, what public object was answered, not only by dividing shares amongst yourselves, but by dividing them at 1 *l.* 10 *s.* less than what Mr. Stell offered?—This division of shares at 1 *l.* premium was not at the same time.

466. Sir *J. Graham.*] Does not it appear in the book that the allotment to Mr. Stell was at the same time with one of your divisions?—It appears so.

467. Was not it done at the same meeting?—It was not.

468. Did you not allot to Mr. Stell 1,400 shares?—1,000.

469. Mr. *Goulburn.*] If they were not allotted on the same day, had any difference taken place in the value of the shares between the two periods?—It is very likely there might, for the shares got up very rapidly at one time.

470. Mr. *Smith.*] How soon did they begin to rise after that second division among the directors?—I cannot recollect.

471. What was the highest price they arrived at?—£.7 premium.

472. Sir *J. Graham.*] How soon after this last division did they rise to 7 *l.*?—It was a long time afterwards.

473. Mr. *Clay.*] Will you read the prices in the successive months?—The shares transferred in February, 13 *l.* 12 *s.* 6 *d.*, 12 *l.*, 14 *l.*, 13 *l.* 15 *s.*, 11 *l.* 12 *s.* 6 *d.*, 13 *l.* 5 *s.*, 14 *l.* 12 *s.* 6 *d.*, 14 *l.* 15 *s.*; 24th February, 15 *l.*, 12 *l.* 10 *s.* and 14 *l.*; on March 1st, 14 *l.* 13 *s.*; March 2nd, 14 *l.* 10 *s.*; March 3rd, 14 *l.* 11 *s.* 6 *d.* and 15 *l.*; March 7th, 14 *l.* 12 *s.* 6 *d.*; March 9th, 14 *l.* 12 *s.* 6 *d.*; March 11th, 12 *l.* 10 *s.*; March 12th, 14 *l.* 19 *s.*; March 14th, 14 *l.* 10 *s.*; March 16th, 14 *l.* 11 *s.* 3 *d.* and 14 *l.* 12 *s.* 6 *d.*; the 17th, 14 *l.* 10 *s.* and 15 *l.*; the 16th, 12 *l.*; the 21st, 11 *l.* 10 *s.*; the 17th, 13 *l.*; the 19th, 13 *l.* 2 *s.* 6 *d.*; the 23rd, 12 *l.* 2 *s.* 4 *d.*; the 15th, 14 *l.* 12 *s.* 6 *d.*; the 22nd, 14 *l.* 15 *s.*; the 23rd, 15 *l.*; the 24th, 14 *l.* 15 *s.*; the 25th, 14 *l.* 12 *s.* 6 *d.*; the 28th, 12 *l.*; the 29th, 14 *l.* 10 *s.*; the 25th, 14 *l.* 12 *s.* 6 *d.*; the 26th, 15 *l.*; the 28th, 15 *l.* 2 *s.* 6 *d.*; the 31st, 15 *l.* 7 *s.* 6 *d.*; then in April, 14 *l.* 18 *s*; April 3rd, 15 *l.*; April 5th, 16 *l.* 5 *s.*; April 8th, 15 *l.* 6 *s.*; April 11th, 16 *l.* 12 *s.* and 16 *l.* 2 *s.* 6 *d.*, and 15 *l.*; April 12th, 16 *l.* 7 *s.* 6 *d.*; then here is March the 31st, 17 *l.*

474. Are those dates the dates of the transfers or the dates in which they appear in the books?—I think Mr. Lyle must explain that.

475. Were any large portion of the shares distributed amongst the directors sold between the months of January and April?—The private ledger gives the amount received; it does not give the price.

476. Can you furnish the Committee at their next meeting with an account of the number of shares transferred by the directors or their nominees, from the beginning of January to the end of June 1836, distinguishing the shares originally given to the directors from those appropriated in the two divisions in December 1835 and January 1836, and the prices at which sold?—I will do so.

477. The Committee understand you to have stated that Mr. Fernely, to your knowledge, objected to this division of the shares?—Not at the time, but afterwards.

478. How long afterwards?—I think, about July or August 1836.

479. Did he know of the division of shares at the time when that division took place?—He did.

480. Did

480. Did he object publicly at the board?—I think he did discuss the point, but he did not object to it. *Henry Moult*, Esq.

481. Sir *R. Peel.*] Did he take his shares?—He did. 27 February 1837.

482. Mr. *Smith.*] Did he offer to repay the assumed profit on the shares?—He did, a part of them; the 335 he offered to pay a certain sum upon; the profit he had made.

483. The profit he had made upon the sale of the shares, he wished to return?—He did.

484. What did the directors say upon his making the offer?—I do not recollect; Mr. Braidley and myself were present when we read his letter, and it came to this, that he took his letter back again and his cheque too.

485. Did he express great disinclination that he should not pay that money into the bank?—I do not think he did; Mr. Braidley was present and will be able to state that point; I cannot state with accuracy, because I was not there all the time; I was going in and out of the board.

486. But it is within your knowledge that Mr. Fernely offered to repay the profit he had made upon those shares, and that he did not do so?—He did not.

417. But you do not know what induced Mr. Fernely, after making that offer, to keep the money?—I do not recollect.

Jovis, 2° die Martii, 1837.

MEMBERS PRESENT.

The Right Hon. the Chancellor of the Exchequer.	Mr. Hamilton.
Mr. Attwood.	Mr. Jephson.
Mr. T. F. Baring.	Mr. Loch.
Mr. Clay.	Mr. O'Connell.
Sir Thomas Fremantle.	Mr. J. A. Smith.
Mr. Goulburn.	Mr. Strutt.
Sir James Graham.	Mr. Poulet Thomson.

THE RIGHT HON. THE CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

Henry Moult, Esq., called in; and further Examined.

488. *Chairman.*] YOU are aware, that by a return which was made to the Secret Committee of last year, it was stated that 71,186 shares of the company had been issued, and that the amount of capital paid up was 711,860 *l.*; did that return comprehend the number of shares which were distributed amongst the directors, and to which you adverted in your last examination?—It did. *Henry Moult*, Esq. 2 March 1837.

489. Then, it appearing from your examination on the former day, that 4,465 shares were distributed amongst the directors in the months of December 1835 and January 1836, the Committee are to understand that that number of shares were included in the 71,186 shares returned as taken and paid up?—I am not quite certain if the 1,000 shares which were distributed in January formed a part or not.

490. But, in proportion as those shares were included in that number, was not the amount of paid-up capital, which is returned in the account of last year, diminished?—It was.

491. In fact, upon that amount of shares, was there any capital paid up at all?—There was a debit to the directors' accounts, that was so far capital; we were all liable for that money to pay it up.

492. It was advanced out of the funds of the bank?—Our accounts were every one debited for that money, and it could be called for the same as a book debt.

493. Then, are the Committee to understand that not only was the amount of

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of paid-up capital included in the return of last year diminished by so much, but that a liability to the bank was contracted to the amount of the overdrawn account in the private ledger?—The shares would be held for that debt; if I held any part of those shares immediately, they would have been placed to the credit of that account.

494. Were any of those shares sold?—They were sold afterwards.

495. Mr. *Clay*.] You were desired to prepare a return of the shares sold by the directors from the 31st of December 1835 to the 30th of January 1836; have you prepared it?—We have; and in looking over the list of the shares sold, between December 1835 and January 1836, there are so few of them that I did not think that would answer the purpose of the Committee, and therefore I have extended the time, because if I had brought up only the report of that time it would have been next to nothing: in consequence of which I have carried it out to the 31st of December 1836.

496. Will you deliver in that account?

[*The Witness delivered in the same.*]

Northern and Central Bank of England.

An Account of the Number of Shares transferred by the Directors or their nominees, from the beginning of January to December 1836, distinguishing the Shares originally given to the Directors from those appropriated in the two divisions in December 1835 and January 1836, and the Prices at which sold.

1. Henry Moult.

Number of shares originally allotted - - - - 1,000.

Cost - - - 10,203 *l.* 9 *s.*

Of which the following are sold:		£.	s.	d.		£.	s.
1836 August 4.—20 shares at	- -	15	5	–	- - -	305	–
— 5.—10 —	- -	15	–	–	- - -	150	–
— 6.—105 —	- -	15	5	–	- - -	1,601	5
— 11.—100 —	- -	15	5	–	- - -	1,525	–
— 12.—100 —	- -	15	–	–	- - -	1,500	–
— 19.—100 —	- -	15	2	6	- - -	1,512	10
435 shares.						£. 6,593	15

Shares allotted December 1835 - - - - -	335
— January 1836 - - - - - -	120
— March - - - - - - -	100
	555

Cost - - - 6,379 *l.* 1 *s.*

Sold as under:		£.	s.	d.		£.
1836: March 28.—80 shares at	- -	14	12	6	- - -	1,170
– April 12.—100 —	- -	16	–	–	- - -	1,600
– July 29.—100 —	- -	15	5	–	- - -	1,525
– – 30.—135 —	- -	15	–	–	- - -	2,025
– August 2.—140 —	- -	15	–	–	- - -	2,100
555 shares.						£. 8,420

Recapitulation:			£.	s.	d.
Shares originally allotted - - - -	1,000, cost	-	10,203	9	–
Ditto in Dec. 1835, Jan. and March 1836,	555	-	6,379	1	–
Ditto purchased by Mr. Moult - - -	1,425	-	17,350	7	6

N. B.—845 of the shares purchased were from Mr. George Hall, director.

Shares - - 2,980 Cost - £. 33,932 17 6

Shares sold:	£.	s.			£.	s.	d.
435 sold for	6,593	15					
555 —	8,420	–					
990	£. 15,013	15	– deduct	990	15,013	15	–
				1,990	£. 18,919	2	6
1,990 shares on hand, valued at 7 *l.* per share					13,930	–	–
				Loss	£. 4,989	2	6

2. John Fernely.

Shares originally allotted, 1,000; of which sold as follows, viz.:

		£.	s.	d.	£.	s.	d.
1836: July 26.—	50 shares at	15	2	6	765	5	–
—	50 —	14	17	6	743	15	–
—	150 —	15	–	–	2,250	–	–
Aug. 2.—	50 —	15	7	6	768	15	–
—	250 —	15	5	–	3,818	5	–
Aug. 11.—	25 —	15	7	6	384	7	6
– 16.—	50 —	15	5	–	762	10	–
– 18.—	50 —	15	5	–	762	10	–
– 9.—	25 —	15	7	6	384	7	6
– 19.—	50 —	15	6	–	765	–	–
Oct. 19.—	50 —	13	2	6	656	5	–
– 26.—	50 —	12	5	–	612	10	–
	850 shares.				£. 12,664	10	–

Shares allotted December 1835	335
Ditto January 1836	110*
	445

Of which the following appear to have been transferred, viz:

	£.	s.	d.	£.	s.
1836: June 20.—100 shares at	14	17	6	1,487	10
– 21.—50 —	14	17	6	743	15
– 22.—100 —	14	17	6	1,487	10
85 (no price named.)					
335 shares.					

Shares remaining with Mr. Fernely:

Of original allotment	150
Allotted in January 1836	110*
Together	260

* These have been since refused by Mr. Fernely.

3. Thomas Binyon.

Original allotment, 1,000 shares; of which sold as follows, viz.:

		£.	s.	d.	£.	s.	d.
1836: Nov. 19.—	20 shares at	10	17	6	217	10	–
Dec. 13.—	50 —	10	15	–	537	10	–
– 7.—	50 —	10	17	6	543	15	–
– 13.—	50 —	10	15	–	537	10	–
– 19.—	20 —	10	–	–	200	–	–
– 7.—	20 —	10	16	–	216	–	–
– 13.—	50 —	10	17	6	543	15	–
– 7.—	60 —	10	15	–	645	–	–
– 13.—	50 —	10	15	–	537	10	–
– 20.—	50 —	10	17	6	543	15	–
– 19.—	25 —	10	17	6	271	17	6
	445 shares.				£. 4,794	2	6

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Shares allotted in December 1835	335
Ditto - - - January 1836	110
	445

Sold as under, viz.:		£.	s.	d.	£.	s.	d.
1836: Jan. 18.—50	shares at	13	–	–	650	–	–
April 19.—50	—	16	2	6	806	5	–
– 20.—50	—	16	10	–	825	–	–
Sept. 8.—30	—	15	6	3	459	7	6
— 50	—	15	7	3	768	5	–
Aug. 27.—10	—	15	7	6	153	15	–
Nov. 12.—80	—	12	8	6	995	–	–
– 23.—20	—	12	8	9	248	15	–
— 50	—	12	7	6	618	15	–
— 10	—	12	7	6	123	15	–
— 10	—	12	7	6	123	15	–
— 35	—	12	7	6	433	2	6
445 shares.					£. 6,205	15	–

4. George Hall.

Original allotment, 1,000 shares; of these 500 were transferred to Mr. Moult for the sum of 5,971 *l.* in December 1836.

Shares allotted in December 1835	335
Ditto - - - January 1836	110
	445

Sold as under:		£.	s.	d.	£.	s.	d.
1836: Aug. 2.—30	shares at	15	2	6	461	5	–
— 20	—	15	7	6	307	10	–
Aug. 9.—50	—	15	3	9	768	15	–
Nov. 345	to Mr. Moult, for				3,793	10	–
445					£. 5,331	–	–

5. Thomas Agnew.

Original allotment, 1,000 shares; of which none are sold.

Shares allotted in December 1835	335
— January 1836	110
— March –	100
	545

Of which sold as under:		£.	s.	d.	£.	s.	d.
1836: Nov. 23.—55	shares at	10	17	6	595	7	6
Dec. 7.—45	—	10	16	6	487	5	–
– 14.—80	—	10	17	6	870	–	–
– 28.—100	—	9	7	6	937	10	–
280 shares.					£. 2,890	2	6

6. James Woodall.

Original grant, 1,000 shares; none of which are sold.

Shares allotted December 1835	335
— January 1836	110
	445

Of which sold:		£.	s.	d.	£.	s.
1836: Dec. 22.—100	shares at	9	17	6	987	10

The remaining directors, viz.:—Benjamin Braidley, William Vernon, James Hardie, have never sold any of the shares allotted to them.

497. It appears, that between March 1836 and August the 2d of the same year, you sold 555 shares, for which your account was debited in the books of the company 6,379 *l.*, and that these shares produced when sold 8,420 *l.*; is the difference between 6,379*l.* and 8,420*l.* the net profit upon that transaction?—It is.

498. Did that profit go to the credit of your account in the private ledger, or in the public ledger?—In the private ledger.

499. You appear to have had altogether 2,980 shares, which cost you 33,932*l.* 17*s.* 6*d.*; and you sold shares, 990 in number, producing 15,013*l.* 15*s.*, leaving a balance of 1,990 shares now standing to your account in the books of the company?—Yes.

500. And costing you 18,919*l.* 2*s.* 6*d.*?—That is accurate, as near as can be.

501. The present value of those shares is 13,930*l.*?—That is considerably above the market price of the day, but I thought it right to take them at the extent of the value; they have been sold as low as 5*l.*; and since at 6*l.* and 6*l.* 10*s.*; and the last price I have known of is 6*l.* 10*s.*, therefore I put them down at the extreme price of 7*l.*

502. You have not yet stated anything with respect to the distribution of shares in March 1836?—There were 100 shares upon that paper in March.

503. Did the other directors also receive shares in March?—Only two of us.

504. Who was the other besides yourself?—Mr. Agnew.

505. How many did he receive?—One hundred.

506. Was there a minute of the board of directors?—It was by order of the board.

507. Was there a minute of the board?—There was.

508. Have you got the minute-book?—I have.

509. Will you produce it?—[*The Witness produced the same.*]—It is on March the 17th: "Henry Moult, 100 shares, at 3*l.* premium; Thomas Agnew, 100 shares, at 3*l.* premium, as directors of the Plate Glass Company." I beg to observe, that both Mr. Agnew and myself refused to take those shares at so high a premium; we thought them too high at the time; however, they were put down to us, and we did take them, but we were granting shares to our customers at a considerably less sum of money.

510. What was the reason they were granted to you, as directors of the Plate Glass Company?—The Plate Glass Company was formed in Manchester, who had a very large cash account, to the amount of about 30,000*l.*, which was placed in the Northern Bank; and it is usual that if you take an account to any bank, you have shares granted to you if you apply for them.

511. In that bank?—In all joint stock banks.

512. *Chairman.*] Were those shares granted to you individually as directors, or to you on behalf of the Plate Glass Company?—Individually to ourselves.

513. As directors of the Plate Glass Company?—Not to the directors of the Plate Glass Company, but individually to ourselves.

514. Mr. *O'Connell.*] The profit or loss was not to go to the Plate Glass Company, but to you?—The profit or loss was to come to us.

515. *Chairman.*] If they were to be sold, it was you who sold them?—Yes.

516. Mr. *Smith.*] Were those shares placed in your own name, or in the name of a nominee?—I think in the name of a nominee.

517. The same as before, Mr. Heywood?—Mr. Heywood.

518. Mr. *P. Thomson.*] Were the Plate Glass Company cognizant of your taking those shares as directors of that company?—It was mentioned at the board of the Plate Glass Company that we should apply for them, and the other directors of the Plate Glass Company would not have any shares; I should have been very glad to have given them 50 of mine, and I offered them, but they would not take them.

519. Mr. *Smith.*] Were any of the shares of the Plate Glass Company given to you or to others as directors of the Northern and Central Bank?—I think not.

520. Were there any given to Mr. Heywood, as your nominee?—None; Mr. Heywood holds shares in his own right.

521. Is not Mr. Heywood a director of the Plate Glass Company?—No.

522. Has he nothing to do with it?—Nothing.

 523. Mr.

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523. Mr. *O'Connell.*] Will you state why, the shares not being worth 3*l.* premium, you undertook to pay 3*l.* premium?—They would not allow them to be granted at less than 3*l.* premium; in consequence of which we took them, but they were not worth so much that day by 1*l.*, I believe.

524. Mr. *Smith.*] What object had you in taking them?—That it was possible they might get up in the market.

525. And as you did not pay for them, you thought you would run the chance?—That was not the consideration with me.

526. Mr. *Strutt.*] When you say they were not worth 3*l.* premium, do you mean that you could have bought them at 2*l.* premium at that time of other parties?—We were allotting shares at that time at 2*l.* premium for customers.

527. Mr. *Smith.*] The extracts which you read from the transfer share book at your last examination stated the price of shares at that period to be 14*l.* 10*s.*?—With reference to the transfer book, I wish it to be understood by this Committee, that it is no criterion of the value of a share; sometimes the value of a share in the market will vary according to circumstances. I know very well of credit being given for shares to the extent of six, nine and twelve months, and perhaps longer, and the parties would give in that case, perhaps, 20*s.*, and sometimes 30*s.* a share more than the real value for which they could be obtained in the market, upon a mere speculation, or something of that sort.

528. Mr. *Strutt.*] Do you mean to say that you could, at the time, have obtained the same number of shares at 2*l.* premium in the market?—I think I could; or at 2*l.* 10*s.* certainly.

529. Mr. *Hamilton.*] Who were the other directors present when that distribution was made?—On March the 17th, Mr. Hall, Mr. Hardie, Mr. Vernon, Mr. Moult.

530. Mr. *Smith.*] Will you now refer to your minute of the 31st of December 1835, when the first distribution of shares took place?—It was a special meeting of the board, held upon the 21st of December, at which the shares now alluded to were allotted; this is the original document:

[*Producing a sheet of paper.*]

531. Does not it appear in the book?—It does not appear in the book at all.

532. Then there is no minute in the minute-book regarding that allotment of shares on the 31st of December 1835?—None.

533. Why is that omitted?—Special meetings are generally put upon paper, and afterwards put into a book.

534. Then in the minute-book there is no reference to the transactions of the special meetings of the directors?—Not in this book at all.

535. Is there any other book in which that minute is entered?—Not at all; it is only entered upon this paper.

536. What is the reason of the omission in the public book?—I cannot tell the reason; it ought to have been entered up certainly.

537. Was the omission a matter known to the directors?—We did not know of it.

538. Who kept the minute-book?—It is kept now, I think, by a person of the name of Drew. He did not keep it at that time.

539. Who kept it then?—I have forgotten the person that kept the book.

540. Then the only record you have of what passed at that meeting, is the loose piece of paper which you hold in your hand?—It is.

541. Will you read the whole of it?—It is only a part of it that appertains to that subject.

542. What does the other part relate to?—The appointment of a manager at Bristol.

543. But surely that was the general business of the bank?—That will be entered in the general minute book.

[*The paper was delivered in.*]

544. *Chairman.*] "At a special meeting of the board, called by circular, December 31, 1835; present, Messrs. Moult, Fernely, Hall, Vernon, Agnew, Binyon,

Binyon, Woodall. Resolved, after a full investigation into the propriety of continuing the branch at Bristol, that it is advisable to continue a branch at Bristol, and endeavour to make it as efficient as possible, by the appointment of a gentleman capable to undertake the management." Is that resolution entered in the general minute-book?—Yes; those that are crossed are all entered in the general minute-book.

545. Then the second is, "That the appointment of a manager at Bristol do take place on the 11th day of January 1836, at 11 o'clock, and that the board be specially summoned for that purpose." There is a cross affixed to that; is that entered in the general book?—It is.

546. Then the next is, "Read private letter from Mr. Cassels, dated 17th of December, relative to a conversation had by him with Mr. Gilbart, the manager of the London and Westminster Bank." There is a cross affixed to that; is that entered in the general book?—It is.

547. Then the next is also marked with a cross, "Resolved, that the board think very favourably of the measure, and if the London and Westminster Bank will make a direct communication on the subject, it will be immediately taken into consideration." Is that entered in the general book?—If it is marked with a cross, it is entered in the book.

548. Then the following resolution is marked in the margin "Private." "Resolved, that the 2,120 forfeited shares (as per annexed list) be appropriated to the directors at 10 *l.* 7 *s.* 6 *d.* each, paying interest at the rate of 4 *l.* per cent. from the 31st of December 1834 to 31st of December 1835. These shares must not be entered in the name of any director, but in the name of some friend, or in blank, on or before the 28th instant, it being understood that no director can sell any shares held in his name, and the whole of these shares must be paid for on or before the 31st of December 1837." Is that entered in the book?—I think not.

549. The next resolution is also marked "Private." "Resolved, that 1,895 shares be disposed of to the directors at 1 *l.* premium, upon the same terms as the foregoing one relative to the forfeited shares." Is that entered in the book?—If it is marked "Private," it is not.

550. The next is marked "Private," also: "Resolved, that in consequence of an offer made by the chairman on behalf of a very respectable individual, dated the 18th of November 1835, for to take 5,000 shares at a premium of 3 *l.* per share, on certain conditions, however tempting this offer might seem, the board respectfully decline it, being conscious that the bank would ultimately realise a larger sum. At the same time it appears to the board evident that there is a considerable real value beyond the 10 *l.*" Is that entered in the book?—I think not.

551. "Resolved, that in taking stock of the remaining shares on hand, that they be taken at 20 *s.* premium, making the shares 11 *l.*, and that the sum of arising from such premium shall be transferred to the surplus fund, forming a rest for any future contingency." This resolution is not marked "Private." Will you see whether it is entered in the book? [*The witness referred to the book.*]—It is not entered here.

552. The next resolution is marked "Private." "That Mr. Thorpe be allowed 100 shares at 1 *l.* premium upon the same terms as the directors, and Mr. Lyle 50 on the same terms, and 50 to Mr. Goodier;" is that entered in the book?—If it is marked "Private" it would not be entered.

553. The next resolution has a cross to it: "That from the great increase of legal business which has been going on since the commencement of this bank, it appears desirable to have this department divided, and the assistance of another solicitor called in in addition to Mr. Harding. Resolved, that Mr. Wm. Seddon be appointed joint solicitor with Mr. Harding"?—If it is crossed it is entered in the book.

554. In whose handwriting is this memorandum of "Private"?—I think it is Mr. Fernely's writing.

555. Those numbers, the number of forfeited shares which appear written in with a different hand and different ink, can you state when those were written?—This has been written this morning by Mr. Lyle; it was written before "As per annexed list."

556. Mr. *Baring.*] Was that mark of "Private" put upon the minute at the time

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time of making or at a subsequent time?—It would be marked, I think, upon the 31st of December, when it passed the board.

557. And in consequence it was not entered in the book?—No.

558. And the cross was marked at the same time to the others?—It was.

559. Mr. *P. Thomson.*] Is it your habit to read at the subsequent board a fair copy of the minutes which have passed at the preceding one?—They are always read and confirmed.

560. Were those minutes which were marked "Private," read at the subsequent board?—They were.

561. Then you had two books from which the minutes were read?—We had that document before us which I have now produced to the Committee.

562. Did you only read the minutes marked "Private," from the rough copy?—From the rough copy.

563. They were not entered into any book?—They were not; I did not know that till now; but it seems that they were not.

564. Mr. *Strutt.*] Is the rough copy signed?—I think not.

565. Mr. *Smith.*] You do not know the motive of the omission of part of the contents of that paper from the minute-book?—It was never intended to make it a private document, but to put it into the book, and I expected it would have been copied into the regular book.

566. Whose duty was it to copy it in?—It was the duty of the person who attended the board, Mr. Thorpe, to see that it was done.

567. Is Mr. Thorpe the proper person to apply to for the reason of omitting those paragraphs in copying these resolutions into the book?—I think he is.

568. *Chairman.*] Were you the chairman at the meeting at which this document was read for the purpose of confirmation?—I was, I believe, the chairman at the time; I was present; there were seven directors present.

569. Upon what day was it read?—The 31st of December.

570. Was not your attention called to the fact that that document was partially entered upon the book, and that a great number of the resolutions were altogether omitted?—I was not aware of it; I had that paper in my hand when I read the document, and therefore I expected it would have been copied afterwards; I think that first paper is dated the 21st of December, it is then confirmed on the 31st of December.

571. Mr. *Smith.*] And signed by yourself?—It is not signed; it was brought to the board to be confirmed.

572. *Chairman.*] It was then confirmed, and you were then in the chair?—Yes, that is my signature.

573. Mr. *Smith.*] Surely, you were aware that those paragraphs were omitted?—I was aware that they were not in that book, but I expected that they would have been copied into that book afterwards.

574. Mr. *P. Thomson.*] Into another book?—Yes.

575. Was there another book into which the private minutes were copied?—I believe there is another book, but I do not think it is here; I asked Mr. Lyle about that document, and he says it has not been copied at all.

576. Where is that private minute-book?—It is in the bank, I have no doubt.

577. Mr. *Smith.*] There is a private minute-book, is there?—I think there is one.

578. Do not you know that there is a private minute-book?—I believe there is, but I think Mr. Lyle ought to answer that question.

579. Have not you ever seen it?—I have seen the rough private book.

580. What do you mean by the "rough private book"?—The book I saw was not bound.

581. But it was used to your knowledge for the purpose of inserting the private minutes of the board?—The private special meetings were entered in that book.

582. Were those private minutes re-read to the board, or to a special meeting, to be confirmed?—Always read to the board, and confirmed by the board.

583. Mr. *Hamilton.*] And signed by the chairman?—And signed by the chairman.

584. Mr. *Smith.*] Whose duty was it to enter those private minutes?—Mr. Thorpe's.

585. In

585. In your examination on Monday, you stated the number of shares divided on the 21st of December to be 3,365; according to the paper which you have now put in, it appears that upon that day there were 4,015 distributed; how can you account for the difference?—The distribution of shares upon the 31st of December was 3,465.

586. But in the private minute-book it is 4,015?—This has been put in merely as a memorandum by Mr. Lyle.

587. Those figures are in Mr. Lyle's handwriting?—They are.

588. And he can explain the discrepancy?—Perhaps he can.

589. You know nothing about it?—No.

590. You are not cognizant of any division of shares more than that which you mentioned on Monday?—No.

591. What do you mean by the words "forfeited shares" in that resolution?—Shares that had been granted to persons, to A. B. and C., and which they had refused to take, being at too high a premium; and in consequence of which, if they did not take them up before a certain day they were considered as forfeited shares.

592. They were not forfeited, but declined to be taken?—Yes.

593. No payment had been paid on them?—None.

594. Sir *J. Wrottesley.*] You stated that it was the duty of Mr. Thorpe to enter the minutes in that private book. In whose custody is that private book now?—I should think Mr. Thorpe or his secretary.

595. What office does he fill?—Managing director.

596. Is Mr. Lyle cognizant of that book?—I do not think Mr. Lyle had anything to do with it.

597. You have no reason to believe that Mr. Lyle is aware of the existence of such a book?—Yes, he is aware of the existence of such a book, but he has no custody of it.

598. Mr. *Smith.*] Are you cognizant of the return made to the order of this Committee last year from the Northern and Central Bank?—I was aware that it was made. It was made by the accountant.

599. Did you see the return?—I saw it and read it over.

600. And approved of it?—With the explanations he gave me, I approved of it.

601. Are you aware of the answer to the question "Number of shares, if any, which may have been forfeited for non-payment of instalments." The answer is "None"?—It seems so.

602. Was that consistent with the truth?—Mr. Lyle will explain that point.

603. Was it consistent with the truth that there were no forfeited shares when this return was made?—There were shares which the parties had refused to take in consequence of their being at too high a premium. Those were certainly forfeited shares in that sense.

604. But you stated that this private minute was read in your presence and approved of by you; and in that minute it is stated that the forfeited shares, as per annexed list, shall be appropriated to the directors?—Then they were taken up; they were forfeited first, and taken up afterwards.

605. *Chairman.*] Were you at Manchester at the time the directors of the Bank of England attended there?—I was.

606. You were then acting as chairman?—I was.

607. Were you applied to by those bank directors to furnish them with the information necessary to enable them to judge of the state of the Northern and Central Bank?—Yes.

608. Did you furnish them with the private ledger?—I gave instructions that all the books and papers that they might want they should have.

609. Was that private ledger laid before them in the first instance with the other documents and accounts?—I think they had been there two or three days before it was laid before them.

610. Do you know how the existence of that private ledger was first made known to the directors of the Bank of England?—I do not know without Mr. Lyle was the gentleman.

611. Were you called upon to furnish the Bank of England before they were put in possession of that book, with an extract from it, showing the amount due?—I was not individually called upon.

612. Was the Northern and Central Bank called upon?—I do not recollect

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that we were called upon; but all books and papers which they might call for were given them.

613. Do you recollect an extract from the account purporting to be an account of the balance due upon the private ledger, amounting to 69,445 *l.*, being furnished to the directors of the Bank of England?—I think that is a matter that Mr. Lyle will be able to explain more fully than myself. I know that they had all the private books, and nothing was kept from the bank directors to my knowledge.

614. You have already stated that this private ledger was not laid before them in the first instance?—I think it was not, for a couple of days.

615. Previously to the time at which it was laid before them, was not there an account furnished of the amount appearing due on that private ledger?—I believe there was in the general states; that is Mr. Lyle's department, and therefore I cannot say anything about it.

616. Do you know whether that account so furnished before the production of the private ledger was the amount actually due, as appearing from the private ledger itself?—I cannot speak to the account myself.

617. Mr. *Smith.*] Was the general statement of the position of the Northern and Central Bank that was submitted to the bank directors upon their visit to Manchester, before it was submitted to them approved of by the board of directors of the Northern and Central Bank?—We had nothing to do with that at all; we told the accountant to give them every one of the accounts, and to let them look at them in any way they chose.

618. *Chairman.*] Including the private ledger?—Including all books and papers.

619. Then there was no difficulty raised on the part of the Northern and Central Bank to the production of their private ledger?—There was no difficulty to their having that private book except at one time; they were making their remarks upon the private ledger, and two of our directors came to me, and mentioned that they thought the London directors were going beyond what they ought to do; that they came there to control the accounts, to see that all the accounts were kept in proper order, and they thought they were going beyond that. One of them told me they had got the private ledger, and were taking out the particulars of that ledger, and I then went in to them. I told Mr. Freshfield I thought it was going rather beyond what we expected; that it was a private book; and the book was closed.

620. The book was closed at your desire?—At my desire.

621. What subsequently occurred in respect to that book?—I saw them examine the account; I do not know that anything particular subsequently occurred, except their looking at all the accounts of the book.

622. Do you mean to say, that it was only closed after they had finished their examination, or that, being closed at your desire, it was subsequently given back to them to complete their examination?—I do not know whether they had gone through the whole of the book or only part of it, but I considered that they were going beyond their province to take an account of a private matter in the bank.

623. Do you consider that they could have understood the affairs of the Northern and Central Bank if the important particulars contained in the private ledger had been withheld from them?—They might certainly have understood it by having it explained to them by the accountant.

624. Do you mean to say, that the account was to explain the very precise particulars contained in the book, or only to give a general view of it?—We told the accountant to explain everything to them.

625. Then where would have been the difference if the contents of the book were explained by the accountant, or if the parties were admitted to inspect that book, and to learn the contents of the book from inspection?—The fact is, that the bank directors did not at all consult myself what they should ask for, but they went and got it themselves; they got it from one clerk or another clerk, just as they chose to do. That is the way they went to work, and we had no control over the concern while the bank directors were there.

626. Mr. *Smith.*] Was there not a balance-sheet drawn up stating the position of the Northern and Central Bank, either at the time of the arrival of the directors or shortly previous?—There was a balance-sheet drawn up which

was

was sent to London; but that balance-sheet I must refer to the accountant for; it is not in my province.

627. You are cognizant of the fact, that there was a balance-sheet drawn up?—There is a balance drawn out every week.

628. Was that balance-sheet so sent up to London approved of by yourself as one of the directors of the Northern and Central Bank?—The balance is approved of every board-day.

629. Was that particular balance-sheet approved of?—I believe it was.

630. *Chairman.*] Did the balance-sheet comprehend the particulars stated in the private ledger?—It did.

631. Mr. *Smith.*] It included the amount of the debits in the private ledger, in the amount of your over-drawn account?—Certainly, it included all the accounts of the bank.

632. With reference to that balance-sheet, do you refer to that which was sent up to London on the first application for assistance to the Bank of England, or on the second occasion that you applied for assistance to the Bank of England, or was there one sent up on both occasions?—I think there was one sent up on both occasions.

633. But both were approved of by the board of directors of the Northern and Central Bank?—There was one balance-sheet sent up which never came before the board of directors; it was a private matter from one director to another; I do not know whether the Bank of England got possession of that, but the document sent up to the bank was approved of by the board.

634. The question refers to that in which you stated your deposits at about 260,000*l.* and your circulation at 300,000*l.*, making a total of liabilities amounting to 560,000*l.*?—That was never approved of by the board at all, and had nothing to do with the board.

635. *Chairman.*] By whom was it prepared?—Mr. Lyle, the accountant, was very unwell at the time, and I think it was only a rough sketch; there was a rough sketch of the affairs of the bank drawn up by some of the clerks in the office, but I cannot tell who.

636. To whom was it furnished?—I think Mr. Lyle can inform the Committee upon that point.

637. Are you aware that it was laid before the Bank of England?—I was not aware that it was.

638. Do you know upon what statement the first advance was made from the Bank of England to the Northern and Central Bank?—Mr. Braidley will be able to answer all those points, as he was in London at the time; I was not cognizant of it.

639. Mr. *Smith.*] Whose duty was it to keep the private ledger?—Mr. Lyle's.

640. In whose custody was the private ledger?—Mr. Lyle's.

641. Solely?—Solely.

642. Was it never submitted to the inspection of the directors?—The private ledger was very seldom seen; I do not think I have seen it myself three times; I did not know that there was such a ledger for a long time.

643. Mr. Lyle was answerable for the entries in the book, and for the custody of it afterwards?—He was.

644. Who decided as to the particular entries which should be inserted in the private ledger?—I do not recollect that; I think Mr. Lyle will be able to explain that more fully.

645. Had he permission from the board to use his discretion as to the entries he should insert in the private ledger instead of inserting them in the public ledger?—He would derive his instructions from the general board.

646. Did the general board leave it to Mr. Lyle's discretion to insert certain entries in the private ledger, and others in the public ledger, and to insert them in one or the other according to his own discretion; or was he to refer to the board as to each particular entry?—Mr. Lyle took his own view of the thing; he said, "this is a private matter, and we will enter it in the private ledger."

647. Are the Committee to understand, that with regard to the entries in the balance-sheet, submitted by the Northern and Central Bank to the Bank of England, you are not competent to give an explanation as to the details?—I am not competent to give a full explanation.

648. Did you approve of it?—It was read over to the board, and explained to the board, and we approved of it.

 649. Therefore

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649. Therefore you ought to be competent to explain the mode in which it was made up?—When you come to examine a head office, with thirty branches, it involves a great many details.

650. The question refers to the principle upon which it was made up, not the details?—Mr. Lyle is an excellent accountant, and we left a great deal to him; the directors of the Bank of England said they never saw accounts in better order in their lives.

651. With regard to the general management of the business, you were chairman of the board of directors?—I was.

652. The advances made to individuals were always submitted to the board?—Generally.

653. Upon what principle were those advances made?—It depended upon the respectability of the applicant and the amount of his business, what he would turn over with the bank, and then we took into consideration what advance he should have.

654. Did the extent of his transactions guide you as to the amount of assistance you were to render him?—The respectability of the parties and the amount of transactions generally guided us.

655. If the amount of transactions guided or influenced you, would it not follow that the largest speculator might receive the largest amount of assistance?—We took into consideration the respectability of the man himself, and if we found that it was a great speculator, either in cotton or anything else, we had a discussion upon those points.

656. Did you not state to the directors of the Bank of England, who went down to Manchester, that you were guided in the amount of assistance you afforded, by the amount of the transactions of the parties with whom you dealt?—I dare say I might; but I think I must have qualified it by the respectability of the parties. There is one observation I should like to make with regard to the Bank of England directors; they never did treat either me, as the chairman, or any of my brother directors in that respectful manner we were entitled to. They came into the bank and took possession of it more as a messenger would under a bankruptcy than anything else, and that was the way in which they conducted their proceedings. I wished Mr. Dobree, before he gave in his statement from the accounts, to put them in writing; I asked him two or three times to let me examine those accounts with him. He either had not time or would not make time; he took those accounts and I did not see them, and I do not know to this day what they are, but I am quite convinced that if he had treated the directors in that respectful manner that he ought to have done, he might have found a great deal more information.

657. Sir *J. Wrottesley.*] Then, from that statement, you admit that you kept information back?—Not at all; we kept no information back.

658. If he had all the information, how could he get more in consequence of respectful treatment?—I might have told him about A. B. and C. which would have come out in conversation, but he never asked me. Everything that he asked me I gave him, but they treated us quite in that disrespectful manner that I never was so treated in my life; and I respectfully submit to this Committee, that I think it was degrading to the Bank of England to conduct their business with that bank in the way they did.

659. Mr. *Smith.*] You stated on the last day that you were present at a committee of shareholders, which was appointed after the arrival of the Bank of England directors, at which the charges of mismanagement against the directors of the Northern and Central Bank, made by the directors of the Bank of England, were read over in your presence?—It was not a committee of shareholders; it was a selection of four gentlemen by Mr. Freshfield and the other two gentlemen; they were, Mr. James Burt, Mr. Thomas Harbottle, Mr. Edward Connell and Mr. Thomas Broadbent. I must state the particulars. The day before Mr. Freshfield had fixed upon somebody else. When he mentioned the name of Mr. Thomas Broadbent and another, I said, Mr. Thomas Broadbent is a very unfit man to be an inspector of our accounts, and he said, "Why?" I said, "Mr. Thomas Broadbent has taken a great dislike to the directors;" and he asked the reason, and I told him this, that Mr. Thomas Broadbent had owed the bank 4,000*l.* to 5,000*l.* for upwards of a twelvemonth; that we had applied for the money time and time again; at last we were determined to have it, and

and he had sent us word "You will not have the money till a Chancery suit is settled." I then said, "Let the account be put into the hands of our solicitor; "he was then written to by the solicitor. I told Mr. Freshfield these circumstances, and he said, "He is not fit to be an inspector of your board;" but the next morning he was appointed.

660. Was there not a desire expressed on the part of the Bank directors and Mr. Freshfield, that a committee of inspectors, or a body of inspectors, should be appointed, who were not debtors to the bank?—It was understood so.

661. Was there not an expression of an opinion on the part of the inspectors of the Northern and Central Bank, that they could not get four competent persons to undertake the office of inspectors, who were not debtors to the bank?—It was discussed afterwards, and then it was said, "You had better have two debtors and two creditors."

662. Was not that mixture of two debtors and two creditors an arrangement made in consequence of the difficulty of finding four persons to act as inspectors, who were not debtors to the bank?—I think there would not have been a difficulty, for there were two gentlemen ready to come forward; in fact, one we thought was appointed, and when he came the next day we had to say that another was appointed in his stead.

663. Was there not an opinion expressed by the directors of the Northern and Central Bank, that four competent persons to undertake the duty of inspectors could not be found who were not debtors to the bank?—We always said we could find them, but they did not choose to take our *ipse dixit* for anything; there were plenty of gentlemen that might be found; we mentioned a gentleman from Liverpool, and he was agreed upon, but he was put on one side.

664. Then it is a mistake to suppose that there was a difficulty in finding four gentlemen competent to act as inspectors in Manchester, who were not debtors to the bank?—I have heard Mr. Freshfield say so; because, in the first place, Mr. Burt, who had no connexion with the bank, very reluctantly came forward, and one or two others. The fact is, that very few gentlemen would undertake a business of that sort, unless they had a great interest in the bank.

665. Is it not a fact, that when it was proposed to appoint inspectors, the directors of the Northern and Central Bank stated, that four competent men could not be found in Manchester who were not debtors to the bank?—I do not recollect that that was ever said, except the difficulty of getting gentlemen to come forward who had not an interest in the bank.

666. The question refers to debtors to the bank, not shareholders?—Shareholders and debtors too.

667. Was there not a meeting of the influential shareholders of the bank at which that opinion was expressed?—I was not present.

668. Previous to the departure of the Bank of England directors from Manchester was there not a meeting of the directors, and at that meeting was there not a statement read by Mr. Freshfield and the Bank of England directors containing charges of mismanagement against the Northern and Central Bank?—He had no statement before him; he made a charge against us, but it was not in writing.

669. But he repeated it in your presence?—He did.

670. Did you not, after it was concluded, state that you thought it a fair and correct statement?—I did not say that I thought it a fair and correct statement, but I particularly said to the deputy chairman, "Let Mr. Freshfield make it as black as he possibly can; I would rather he did so than not, and therefore do not let us say a word."

671. You did not say you thought it a fair and correct statement?—I might have said so; I will not say whether I did or did not; I did not agree with a part of the statement, certainly, but I was not going to make an harangue upon it, because I should have had no chance.

672. Sir *J. Wrottesley.*] Are you aware of the existence of any correspondence between the London and Westminster Bank and the Northern and Central Bank directors upon the subject of the shares allotted to them?—I am not; I was confined at home at that time by a death in my family, and therefore I am not aware of it.

673. You have stated, in an answer upon the former day, that the London and Westminster Bank allotted shares to the Northern and Central Bank for

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the purpose of business; and in the next answer you said it was for the benefit of the directors who bought the shares?—I understood it was for the directors themselves.

674. Can you state the grounds upon which you formed that opinion?—I cannot; I have no documents; I had nothing to do with the agreement with the London and Westminster Bank.

675. If the chairman of the London and Westminster Bank stated at a meeting yesterday that the shares were allotted for the benefit of the establishment, and not for the benefit of the directors, you are not prepared to say whether that statement is true or not?—I cannot say anything about that.

676. Sir *James Graham.*] Do you think any correspondence upon the subject will appear in the private minute-book?—I do not know; I think not. I understood that Mr. Gilbart came down into Lancashire.

677. Is the private minute-book kept in the custody of the same persons as the private ledger?—No.

678. Who kept the private minute-book?—Mr. Thorpe.

679. Is he in London?—He is not.

680. Mr. *Smith.*] Were not a certain number of shares in the London and Westminster Bank given to you as a director of the Northern and Central Bank?—There were allotted to me 180 or 188 shares.

681. Were they allotted to you by a minute of the board?—I think so.

682. You do not know whether that was a public or a private meeting?—No.

683. Do you recollect when they were allotted?—No.

684. The allotment of those shares was made by the directors of the Northern and Central Bank?—It was.

685. Mr. *O'Connell.*] An aggregate amount was allotted by the London and Westminster Bank, and you divided them among yourselves?—They were divided amongst the directors, and, I think, one or two others.

686. Sir *J. Graham.*] But no special appropriation came from the London and Westminster Bank to the directors of the Northern and Central Bank?—I do not recollect that there did; it was a private business of Mr. Gilbart's when he came down to Lancashire.

687. Is that the sort of transaction which would appear in the private minute-book?—I think it would.

688. Mr. *Smith.*] What has become of those shares which were given to you in the London and Westminster Bank?—Some of them were sold, and some not. If I am asked whether I have sold mine, I have sold the whole of them.

689. When you sold them for the payment of the London and Westminster shares, was that amount debited in the private ledger?—The London and Westminster Bank have got possession of the money now; they have neither given me credit for it nor anybody else, because it is a dispute between them and the Bank of England who is to have that money.

690. Did you sell any portion of the shares upon your account?—They are all sold upon my account.

691. Did you receive any money for them?—For some part of them.

692. Did that go to the credit of your account in the private ledger of the Northern and Central Bank?—Yes.

693. Have the remainder been sold by the London and Westminster Bank?—I have sold them, and the London and Westminster Bank has got the money.

694. How did they get the money?—They would not transfer them till the money was transferred into their hands.

695. Do you owe any money to the London and Westminster Bank?—Not a shilling.

696. Mr. *Goulburn.*] But your bank does owe to the London and Westminster Bank?—Yes.

697. *Chairman.*] Is the Committee to understand that these shares being allotted from the London and Westminster Bank generally to your bank, which were subsequently allotted amongst the directors of the Northern and Central Bank, you sold your portion of them on your own account, but that on the transfers taking place, the London and Westminster Bank refused to allow those transfers, unless they carried the amount of the proceeds of those shares to the account between them and the Northern and Central Bank?—The London

London and Westminster shares were allotted to the directors, and not to the bank.

698. By whom were they allotted to the directors?—By the London and Westminster Bank.

699. Are you sure of that?—I can only say that I believe it, but I have no document to produce.

700. If they were allotted to the directors, upon what plea could the London and Westminster afterwards refuse to give you the price of those shares, and carry the produce of those shares to the account of the Northern and Central Bank?—I believe there is a clause in the London and Westminster deed, that in case of any one owing money, either directly or indirectly, to the London and Westminster Bank, they can retain the money paid upon the transfer of shares.

701. Then you consider that that proceeding took place, not in consequence of any direct debt due from you, but of the indirect debt which was due from you in your capacity of a shareholder of the Northern and Central Bank?—It was.

702. Mr. *Attwood.*] On the sale of these shares of yours in the London and Westminster Bank, did you realise a profit or sustain a loss?—I have lost by the shares in the London and Westminster Bank, nearly 300 *l.*

703. When you took them they bore a price somewhat higher in the market than they were allotted to you at?—At the time they were allotted to the northern directors they were about 10 *s.* or 15 *s.* premium per share. I have been told by a gentleman present at the London and Westminster meeting that the chairman mentioned they were at 3 *l.* premium at the time they were allotted to the northern directors; but they were not more than 15 *s.* premium.

704. If you had taken those shares and sold them within a day or two after they were allotted to you, should you have thought you had acted in a way consistent with the understanding between the Northern and Central Bank, and the London and Westminster Bank?—Certainly not.

705. You would have thought you were entitled to take and sell those shares as soon as you received them, and put the premium into your pocket?—Certainly; at any time that I liked; but I should not have thought it handsome to do so.

706. Sir *J. Wrottesley.*] Whom did the London and Westminster Bank debit with the amount of those shares?—We paid them through the Northern and Central Bank.

707. Did you pay for them individually as directors, or did the establishment pay for them?—We gave the money to the London and Westminster Bank, and they debited the Northern and Central Bank account with the amount.

708. They debited the Northern and Central establishment, and not the individual directors?—Yes, we paid the bank for them, and then the bank paid the London and Westminster.

709. Mr. *Goulburn.*] But no money actually passed between you?—I do not know how they did it.

710. Sir *J. Wrottesley.*] You charged your own account with it?—Yes.

711. You did not pay any money for them?—No, I gave a cheque.

712. Mr. *Jephson.*] Was the payment to the London and Westminster Bank made by so many cheques in the name of the directors, or was it made by one payment as from the Northern and Central Bank to the London and Westminster?—I would rather refer the question to the accountant who made up the statement.

713. Mr. *O'Connell.*] It was merely charged in the books?—Charged in the books, most likely.

714. The London and Westminster debited the Northern and Central Bank with the amount in their books, and you credited the London and Westminster with the amount in your books?—Yes.

715. *Chairman.*] With reference to your transactions with the Royal Bank of Ireland and the Yorkshire District Bank, from both of which establishments there was an allotment of shares took place, were the proceedings in reference to those shares of the same character, and conducted in the same manner with the proceedings in respect to the shares of the London and Westminster Bank?—I think not, with reference to the Yorkshire District Bank; there were very few shares allotted, and I think they were paid for either in the common way of business or otherwise. With regard to the Royal Bank, we never had any transactions with the Royal Bank at all.

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716. Is there not a sum of 56,212 *l.* entered in the private ledger, with reference to the distribution of shares of the Yorkshire Bank, the Royal Bank of Ireland, and the London and Westminster Bank?—Taking the whole together, probably there is; the accountant will explain that; I cannot explain it.

717. Are not entries, with respect to that distribution of shares, made in the private ledger book?—Perhaps there may be; but it is a matter that I must call the accountant's attention to.

718. Did you yourself share in the distribution of shares from the Yorkshire District Bank, in which 110 shares, valued at 1,446 *l.* were assigned to you?—Yes.

719. Also 280 shares of the Royal Bank of Ireland, valued at 1,400 *l.*?—Two hundred and eighty shares of the Royal Bank of Ireland would amount to very considerably more than 1,400 *l.*; I think I gave a cheque for 1,400 *l.*, and gave money for the balance.

720. But the 1,400 *l.* stands charged against you in the private ledger?—Yes, that is correct.

721. How did the shares of the Yorkshire District Bank come into the possession of the Northern and Central Bank?—The Yorkshire District Bank was applying for certain accounts from us, I believe, and I think they granted 50 shares to the directors at a large premium.

722. Were those granted to the directors individually by the Yorkshire Bank or to the Northern and Central Bank?—They were granted individually to the directors of the Northern and Central Bank.

723. Were they dealt with by you as your property?—Yes.

724. You were capable of disposing of them as you thought fit and applying the proceeds to your own advantage?—Exactly so, if there should be any advantage.

725. Mr. *O'Connell.*] Were you charged a large premium upon them?—We were.

726. Were they worth that in the market, or more?—I fancy it was about the market-price of the day, but I am not sure.

727. *Chairman.*] Under what circumstances were the shares in the Royal Bank of Ireland apportioned?—I do not recollect the way in which they were apportioned.

728. Were they granted to the Northern and Central Bank by the Royal Bank of Ireland, or were they granted by the Royal Bank of Ireland to the individual directors of the Northern and Central Bank?—It was an application from the individual directors to the Royal Bank.

729. Are the Committee to understand, that it was an application from the directors of your bank to the Royal Bank to grant those shares?—I believe it was.

730. Mr. *Smith.*] Did the Northern and Central Bank grant any of their shares to the directors either of the Yorkshire District Bank or the Royal Bank of Ireland or the London and Westminster Bank?—I do not recollect any.

731. There was no interchange of shares?—Not at all.

732. Mr. *O'Connell.*] Have you any shares in the Agricultural and Commercial Bank of Ireland?—Yes.

733. Have your bank any shares?—The directors have shares, not the bank.

734. How many shares have you?—I got 100 shares which I applied for, and were granted to me. I paid 1,000 *l.* for them.

735. What did you do with them afterwards?—I have got them now.

736. Sir *John Wrottesley.*] What are they worth now?—They are not saleable at any price.

737. What were they worth when you took them?—They told me they had been worth 100 *l.*; and I said, if anybody would take them off my hands they should have them at 1 *l.* discount.

738. Mr. *O'Connell.*] Why did you take them?—I took them under the spirit of the share-mania. I thought it would do good to Ireland to have joint stock banks.

739. At what time did you take them?—I forget the time, but it was very early, I think.

740. You actually paid for them?—I paid 1,000 *l.* for them

741. Had

741. Had your bank a connexion with the Agricultural Bank?—A very large connexion with them.

742. On which side was the balance when they suspended payment?—When they suspended payment we had a large quantity of bills on hand, small bills; many hundreds; payable all in Ireland.

743. What did you intend to do with them?—We kept them as collateral securities, and gave them over to Latouche's house to collect for us.

744. How long before they suspended payment did they send you over that quantity of Irish paper?—We always had a large quantity of that paper for 12 months. They used to send over perhaps 20,000 *l.*, which were due in March for those that came due in December.

745. You held those bills until they were nearly due, and then your habit was to return them to the parties that sent them to you?—Until they suspended payment, and then we sent them to Latouche's.

746. What was the balance when they suspended payment in March against the Agricultural Bank?—I think they owed us at the time about 40,000 *l.*

747. Has that been paid since?—I believe there has been 35,000 *l.* paid since, and there are other assets, which I hope will perfectly cover and more than cover the debt of the Agricultural Bank.

748. Do you know Mr. Mooney, an active person in the Agricultural Bank?—I have seen him, but I do not know him.

749. He has no connexion with your bank?—He may, or he may not. We have several Mooneys in Manchester, and there is a Mooney's account in the bank.

750. The Mooney referred to is one of the founders of the Agricultural Bank?—I recollect a Mr. Mooney coming over once to the Northern and Central Bank, and that is all I know about him.

751. You had no connexion with any Mr. Mooney in any way in the formation of the Agricultural Bank?—Not in any way; I never knew him.

752. Your evidence is, that your bank will sustain no loss by the Agricultural?—Not any.

753. In the management of your branches you have sustained great losses?—We have, particularly in three of them.

754. Were your principal losses, and those which occasioned the pressure upon you when you applied to the Bank of England, losses upon your branches?—When we applied to the Bank of England it was in consequence of the large loss of a parcel which we sustained in London.

755. Was the pressure upon you which induced you and the other directors to come up to London occasioned by losses at the head office or at the branches?—It would be at the branches, as we never had much loss at the head office.

756. How happened it that you were not more vigilant with respect to the management of your branches?—The fact was that the managers at two of our branches did not obey orders; we were continually sending over, particularly to Leeds and Nottingham.

757. Had you no visitors to go to those banks?—Yes, we were continually sending over.

758. Without giving intimation of the intention of sending over?—Certainly.

759. Did not those visitors report to you the mismanagement, for example, of the Leeds branch?—They did.

760. Why did you not dismiss your manager and put an end to the misconduct?—It was our intention to have dismissed him, but we found that if we turned him about his business immediately it would have been a great detriment to the bank.

761. Mr. *Attwood.*] Had you discovered imprudence going on in the different branches before your application to the Bank of England?—We had.

762. Were you then in the progress of correcting those errors?—In the beginning of October we intended to have closed about 20 branches; they were marked down and a time was to be taken to close those branches, finding that we could not manage so great an extent of branches.

763. Mr. *O'Connell.*] If you had continued in business would you have been able, in your judgment, to have checked the mismanagement of your branches?—We should.

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764. Sir *J. Graham.*] What was the nature of that mismanagement?—The mismanagement, particularly at Leeds, was this: we went over and inspected the accounts, and we told the manager such an account which then stood at 3,500 *l.* must be reduced to 2,000 *l.*, and instead of doing that it increased considerably. The way it was increased was in this way, that he took bills upon houses in Liverpool, and those bills were not accepted.

765. Then your manager at Leeds disobeyed your orders?—He did.

766. Was that peculiar to the manager at Leeds, or did you find that your managers at your branches generally disobeyed your orders?—Three or four disobeyed orders, but I think not more.

767. Were those the managers at the principal places?—They were at Leeds, Sheffield and Nottingham.

768. What are the securities found by the managers, first at Leeds?—The security at Leeds was 2,000*l.* or 2,500*l.*

769. And the bad debts made by him were about 40,000*l.*?—We wrote off 40,000*l.* dead loss at Leeds.

770. In how short a time had he made that amount of bad debts?—Since the commencement of the bank, two years and 11 months.

771. At the Nottingham branch, what is the security?—£. 2,000.

772. What is the amount you wrote off for bad debts at Nottingham?—£. 12,000.

773. What is the security at Sheffield?—£. 2,000.

774. What is the amount of bad debts written off at Sheffield?—I think it was 12,000*l.* to 14,000*l.*

775. Has the result of your experience led you to think that the security found by the managers of the branches is very imperfect as a security against gross mismanagement?—I quite think so.

776. Mr. *O'Connell.*] Would you say that those securities, even to that amount, were available against the kind of losses you sustained?—They were not.

777. You took no security against giving an undue credit?—None whatever.

778. You took no security against discounting improper paper?—None at all.

779. And the losses were occasioned by those two things?—Yes.

780. The securities were totally unavailing for that?—Totally.

781. Mr. *P. Thomson.*] That security was merely against dishonesty?—Dishonesty of the party.

782. Mr. *Attwood.*] You selected a number of incompetent managers?—Some have turned out to be so.

783. And you yourselves, the directors, had none of you had any previous banking experience?—We had not any experience; the parties came to us recommended strongly.

784. Had the directors of the joint stock banks about you, many of them, had previous banking experience?—I do not recollect one.

785. Mr. *O'Connell.*] Did you do business with reference to any scale of your banking means?—We intended to do so, and if the managers had carried our plans out we should have done so, but they went far beyond it.

786. What was the scale you laid down?—Ten per cent. upon the trade.

787. That is, to do business to the amount of 100 *l.* for every 10 *l.* worth of banking means?—To advance 10*l.* upon every 100 *l.*

788. Had you any scale of operation graduated upon a comparison between the business you did and the banking means you possessed?—Certainly; I have answered the question in this way, that if a man was a good man in trade and he turned over a large capital, we let him have at the rate of 10 per cent. advance.

789. The question refers to the capital of the bank itself; your banking means. Had you any scale of doing business calculated upon your banking means?—I cannot exactly understand that.

790. *Chairman.*] Your paid-up capital was 700,000 *l.* and you had a certain amount of deposits; did you attempt to apply any principle by which the amount of your business done should bear a certain proportion to the amount of your capital and your deposits?—At the board we did so, but we could not carry

carry it out at all; when our capital was 700,000*l.* we did a great deal too much business for our capital, and in consequence of which we could not bring it to bear; we could not bring some of our managers to bear upon these points.

791. Sir *J. Graham.*] What were your leading instructions to the manager at Leeds?—Not to do business with any party but what was perfectly safe, nor to give any advances without orders from the head office.

792. But if he thought the parties good, was he at liberty to make any advance he pleased?—He was not.

793. There was always to be a reference to you?—At the head office.

794. Did he make advances without reference to you?—He did.

795. Is that, in your opinion, the sole cause of the bad debts, or were some of the bad debts made in conformity with your directions?—That has been the cause of our bad debts at Leeds.

796. Were all your bad debts at Leeds made by him without consulting you, or were some of them made in conformity with your instructions?—There were a very few made according to the orders of the board.

797. What proportion of the 40,000*l.* of bad debts at Leeds has been made in conformity with the instructions of the board?—I should think not 5,000 *l.*

798. Mr. *O'Connell.*] Then your only banking principle was this, a reference to the solvency of the individual with whom you dealt?—That was the principal one.

799. That being the principal one, was there any other?—We certainly did not sufficiently attend to the amount of our capital; we went far beyond it; in consequence of which it led us into great difficulties.

800. Does not it amount to this, that you had no principle upon which you proceeded but a reference to the solvency of the individual?—It would appear that we only had a reference to the solvency of the individual, but some men got large sums from us which they ought never to have got.

801. You had weekly sums upon which you charged commission; that you considered as clear profit?—We did.

802. Was not it a great object with you to make that as high you could?—It seemed to be the great object of the different managers to do as much as they possibly could, and whenever we saw the commission increasing, we thought we were doing a good business.

803. Sir *James Graham.*] Did you not discover till your difficulties became oppressive that your branch manager at Leeds had disobeyed your orders?—We did.

804. Did not you perceive it by his weekly returns?—We did.

805. Did you take any steps to stop it?—We sent over again and again, and he always promised to get different accounts brought up, but he never was able to do it.

806. How frequently did he make his returns to you?—Every week.

807. Then, inasmuch as out of the 40,000 *l.* of bad debts only 5,000 *l.* were authorised by you, you must have seen every week many transactions about which you had not been consulted?—There were many transactions that did not appear; in fact, bills that were accepted were not entered.

808. When did you make that discovery?—Those bills were returned.

809. But that must have happened frequently?—He often got his bills renewed; by that means we were further deceived.

810. Mr. *O'Connell.*] Was there anything in the progress of your business that gave you an insight into the fallacious principle upon which you were acting; did you begin to discover your mistake?—We did. As I mentioned, we discovered it, and were taking methods to reduce all our branches, and all our accounts; and if it had not been for the great pressure of the times, we should have done so without much loss.

811. Then if you had had the same facilities of re-discount that you had originally, your opinion is, that you would have been able to correct your error?—I have no doubt that if the Bank of England had discounted for joint stock banks of issue as they did for other banks, we should have been able to have got through our difficulties. It was a singular circumstance, that the Bank of England, if the "Northern and Central Bank" appeared upon the back of a bill, would not discount it at all. If we issued that bill without our indorsement, it frequently got discounted at the Bank. Therefore we did the

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Bank a great injury by indorsing it, and in consequence of that we issued a large quantity of paper without any indorsement at all.

812. Then that paper became better for not having your indorsement?—It did.

813. Mr. *Smith.*] Have you any idea why the Bank of England refused your indorsement?—We considered that the Bank of England set their face entirely against joint stock banks of issue, and were determined, as we said, to crush us.

814. *Chairman.*] Suppose the Bank of England had had such a determination, how do you account for their having given you the assistance they did in December?—The assistance they gave us was certain to injure us in some points.

815. Was it not certain that if that assistance had not been given to you at the time that it was, your directors who were in London were about to proceed home as rapidly as they could travel, for the purpose of closing the bank?—Certainly, it was so.

816. Is it not within your knowledge that that was communicated to persons in London?—I know that we were going to stop all our branches, but it was in consequence of the Bank of England's pressure upon us, that they would not allow us the same facilities as they allowed to other banks, and we could not get a single shilling discounted without the consent of the Bank.

817. At the time the Bank of England interposed on your behalf, had they rejected your application for assistance, would not the consequence have been that your bank must have closed within a week?—It must have closed within a week.

818. How do you then reconcile that fact with the statement that you just now made, that it was the determination of the Bank of England to crush you?—It was the determination of the Bank of England to crush us in this way, that they would not allow any paper of ours to be discounted in the market.

819. Mr. *Smith.*] Did not they reject the indorsements of all joint stock banks of issue?—They rejected ours.

820. Is it not within your knowledge that they rejected all?—I have heard that they have rejected a great many; perhaps they may have rejected all.

821. *Chairman.*] Supposing the Northern and Central Bank had a customer, and they found that that customer had transacted his business in the way in which you have described the Northern and Central Bank to have done, would you have felt it prudent to make large advances to a customer so circumstanced?—With regard to that, the bills which we then wanted them to take were bills that there was not the least risk upon. Out of the bills that we gave Mr. Gurney, who had a large quantity of bills, he never had fewer bad bills, I have heard him say, than he had from us, up to a certain period. Therefore, we could have given the Bank of England such paper; indeed there was no better in the kingdom.

822. Mr. *O'Connell.*] If you had stopped payment, do not you think that the consequence would have been a run upon all other banks issuing paper?—It would.

823. Would not that have reached the Bank of England itself?—It is very likely it might.

824. Do not you think that their supporting you was a prudent measure, in so far as it prevented a run upon themselves?—I thought so.

825. Do you know any other reason why they did support you?—I do not know any other reason, for they had no love for us.

826. Mr. *Smith.*] Was not the application for assistance made by the directors of the Northern and Central Bank as a means of preventing your stoppage, and without reference to any other motive?—With respect to the assistance given by the Bank of England, I heard something said; but I should like the Committee to put that question to Mr. Braidley, who was in London, and I think he will answer it to their satisfaction. I think there was a hint given to him from a certain quarter, that if he would go to the Bank of England he would receive assistance. It was late in the afternoon of Tuesday, or whatever the day was, and he could not believe it. However he did go, and he found it to be correct.

827. Mr.

827. Mr. *Attwood.*] You stated on the former day that the pecuniary difficulties which your bank sustained entirely originated in the altered state of the discount market in London?—I thought so.

828. You felt no pecuniary difficulties except what arose from the difficulty of getting discounts in London?—None whatever.

829. Your bank began in March 1834?—It did.

830. Did you, throughout the whole of 1834, find an entire facility of discounting in London every bill you sent up?—It was very easily done; the discounts were very easy in 1834.

831. And all through 1835 you found no difficulty in obtaining discounts in London?—None.

832. Up to the early part of 1836?—Up to June 1836.

833. Did you discount a large amount in London sometimes?—Yes.

834. A million or two millions?—I think sometimes a million.

835. And you did not find the amount objected to in London?—Not at all.

836. Was that great facility of procuring discounts in London one of the causes which encouraged you to extend your business?—It was.

837. Did it encourage you to establish a great many more branches than you would have otherwise established?—It certainly did.

838. Mr. *Goulburn.*] When were your principal branches established?—We commenced a great number of branches in 1834, and they went through the whole year up to 1835.

839. Mr. *Attwood.*] Do you think that the same facility of obtaining discounts in London gave encouragement to the establishment of other joint stock banks?—I think it did.

840. Did it in reality form a great part of the business of the new joint stock banks to give out money in the country and procure it on discount in London?—It did.

841. Did that form a source of profit out of which they calculated to make a dividend?—It did.

842. Did it form the solid foundation, if there was any, for the premium on their shares?—It did.

843. Did that premium on the shares operate mainly as the inducement to the establishment of other joint stock banks?—Certainly it did.

844. Therefore you ascribe the growth of the numerous joint stock banks and the extension of their branches to the circumstance of the facility with which discounts were obtained in London at that time?—I do.

845. Were all the joint stock banks which commenced that description of business seriously inconvenienced by the change in the money market in London?—I think they were.

846. That was the sole cause of your pecuniary embarrassment?—It was.

847. You have admitted that you made great mistakes and very injudicious extensions of your business; now, looking back over the results of those mistakes, do you think that if there had been no change in the money market in London you could have retrieved the errors you committed in the early part of your establishment?—I have not the least doubt we should.

848. Do you think you might ultimately have established a bank that would have been beneficial to the proprietors and safe for the public?—I am quite sure that we should.

849. In spite of the losses you sustained?—In spite of the losses we sustained.

850. You had no previous experience in banking business?—None.

851. Is it generally incident to persons that have no experience beginning a new business to be subjected to losses in consequence of their inexperience?—I think any person beginning a new business is sure to have losses, particularly in Lancashire; whatever they may be they are sure to have losses.

852. And they calculate on losses?—We do, always.

853. And if they are prudent persons they overcome the losses incidental to their inexperience, and establish themselves at last?—As I told a friend of mine concerned in a joint stock bank, who made a heavy loss, I said, "Come, this is the best lesson you have ever had in your life; now you will be good bankers;" and since that time they have been very prudent.

854. You think your losses might have operated as a lesson to yourselves?—We were notorious at the head office for making fewer bad debts than any other

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other joint stock bank. I am quite convinced that acting upon our intention to withdraw the branches in October, we should have overcome all our difficulties and retrieved all our misdeeds.

855. Are all the securities and property of your bank now in possession of the Bank of England?—Not all, because a part of them have been redeemed, but they took possession of every security, every guarantee and deed lodged from day to day, or anything of that sort; they took them entirely from us at the head office, and we were obliged to send off expresses to get all our deeds and documents from the branches, and it created a great deal of unpleasantness and uneasiness in the mind of the public.

856. Has there been an action by the Bank of England against the Northern and Central Bank?—There was no action; there is a judgment entered up against us.

857. Against the accredited officers of the bank?—Yes.

858. To what amount?—A million sterling.

859. Is the effect of that judgment that the Bank of England has the power of putting at any hour an execution to the extent of a million, upon the property of every one of your shareholders?—I am not a professional man; but the Bank of England gave us till the 1st of July; if we do not pay their account on or before the 1st of July, they then can enter either in my house or anybody else's house, being shareholders, and take what property they can find.

860. Then until the 1st of July there is an agreement, by virtue of which the Bank of England will not avail themselves of this power over the shareholders?—Certainly.

861. After that date every shareholder is liable to have an execution upon his property for a million?—Yes; there is one serious circumstance which has occurred with regard to the Bank of England entering up this judgment: a great number of our shareholders, who are landholders, cannot make a good title. The title is in abeyance until that judgment is withdrawn, and it is a great inconvenience to a great number of gentlemen in Lancashire, now that they cannot make a good title to their property, in consequence of which a great deal of property, I am told, is withdrawn. The parties have given it up.

862. Sir *J. Wrottesley.*] Who consented to the arrangement by which judgment was given to the Bank of England?—It was one of the bank officers that signed the judgment, but I understood from Mr. Freshfield that it was only a matter of form.

863. Mr. *Smith.*] You state, that many of the securities of the Northern and Central Bank, which were in the hands of the Bank of England, have been redeemed?—There have been many redeemed.

864. Do you know the state of the account of the Northern and Central Bank with the Bank of England?—At our general meeting, on the 23d of last month, I think it was then stated that we only owed them 220,000*l.*, that is to say, the balance of the account when the bills and securities are taken into account.

865. *Chairman.*] That is, assuming that the bills they hold will be paid at maturity?—Yes.

866. Mr. *Smith.*] But there was 220,000*l.* uncovered?—Yes.

867. At what period was that?—The 23d of February.

868. *Chairman.*] You have stated the amount of security taken by the Bank of England in the shape of judgment; can you state the amount advanced by the Bank of England in money?—I cannot.

869. Did it exceed 1,300,000*l.*?—It might, or it might not; it is so large a figure that I cannot state.

870. Did it not exceed a million, which you say was the amount of the judgment?—I dare say it might.

871. Cannot you, as chairman of the directors of the Northern and Central Bank, state the gross amount of the advance made to you in money by the Bank?—I cannot.

872. Were you in the chair at that meeting on the 23d of February?—I was not; I was present at it, but not in the chair.

873. Sir *J. Wrottesley.*] In the securities held by the Bank of England, do you include about 100,000*l.* of past-due bills?—The Bank of England have nothing to do with the past-due bills; we have the past-due bills ourselves.

874. Sir

874. Sir *James Graham.*] You said that the facilities in the discount market in 1835 were very stimulating to speculations in joint stock banks; have you any fixed opinion of what led to those facilities; did the conduct of the Bank of England, in your opinion, at all lead to them?—I think the West India Loan had a serious effect upon the market.

875. Did the conduct of the Bank of England, in your opinion, contribute to increase those facilities, and to stimulate that disposition to speculate in 1835?—We thought so; the Bank of England assisted the brokers of London to discount paper to a considerable extent.

876. First of all, you think the West Indian Loan had a considerable effect; then what transaction of the Bank of England especially contributed to produce that effect, in your opinion?—The easy way in which we got discounts in London, through the Bank of England.

877. Your opinion was, that the Bank added to the facilities of the discount market at that time?—Yes.

878. Mr. *P. Thomson.*] When was it you thought that?—In 1835 and 1836; in 1836, I think.

879. Thinking that undue facilities were afforded by the Bank of England, for the discount of bills in London, and that money was made unduly cheap, did you at the same time consider it prudent to extend your engagements as much as you did?—I consider that we have been very imprudent in extending our engagements, but at that time we did not think so.

880. Although you were of opinion at the time that the Bank of England was giving undue facilities?—"Undue" facilities is perhaps using a word that I have no right to use.

881. That it was giving considerable facilities?—Yes.

882. In the account which was rendered to this Committee last year by the Northern and Central Bank, the amount of paid-up capital is stated at 711,000 *l.*; had you ever that amount of paid-up capital?—There were the directors' shares which were not paid up.

883. There was a large amount then, nearly 250,000 *l.*, which was not paid up?—I do not think it was 250,000 *l.*; the shares only came to about 90,000 *l.*

884. Whatever that amount was, could you consider yourself justified in stating that you had the whole 711,000 *l.* paid up, when that sum, be it 90,000 *l.* or be it 250,000 *l.*, was not paid up?—Yes; because the directors were liable for that debt to the bank.

885. But you had not the capital in the bank to carry on your business with?—We had not the money; we certainly had the debt owing to the bank, the whole of it.

886. Did you consider the debt as capital?—Certainly we did.

887. Was the debt available for employment?—The debt was available, because they might come to me and say, "You must pay up your account;" and if they had done so I should have been obliged to pay it up.

888. *Chairman.*] Then supposing that the whole of the shares had been dealt with in the same way as the directors' shares, would you have equally considered that the whole of that debt which so remained due was capital?—It would not be so, of course, because we should have had all the money in shares, and have had no capital at all in that case.

889. Then how do you draw a distinction between the directors' shares, and what the same principle would have led to if it had been applied to the whole of the shares?—As a portion, it might bear, but as a whole it would not bear.

890. Sir *T. Fremantle.*] Had the directors given cheques for the payment of their own individual shares?—We had; our accounts were all debited, and it remains as a debt to the bank.

891. Mr. *P. Thomson.*] Your accounts were debited in the private ledger, not in the public books?—In the first instance, they were in the public books; in the second instance they were withdrawn to the private ledger.

892. Did you consider that the sums of money for which the directors were indebted to the bank on account of shares which they had taken but not paid for, were sums that you could fairly have advanced them upon their own accounts with the bank?—I think some of them were, but I think some of them were too far extended for the situation in which the parties stood in business.

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893. Suppose the directors had paid up their shares, thereby really making up the capital, should you have advanced them upon their own accounts such sums as 30,000 *l.* and 70,000 *l.*, which amounts appear against the names of two of the directors, the name of the 30,000 *l.* being Mr. Braidley, and the name of the 70,000 *l.* being James Hardie & Company?—I think both amounts are too large. Mr. Hardie's account with the bank was about half a million a year.

894. When you were pressed for money, and found that you wanted capital in your business, did you not call upon the directors to pay up their shares?—We did call upon the directors.

895. Did they pay?—We could not get Mr. Hardie's debt up.

896. Mr. *Jephson.*] Were the directors' shares entered in the names of nominees considered liable for the debts of the directors?—The director was understood to be liable, not the nominee.

897. Mr. *Attwood.*] If one of those gentlemen who appear as nominees had now sold an estate, and was going to make a title to it, would not the judgment that is in force now against the shareholders of the bank prevent his doing so?—It would.

898. Both the director, the actual shareholder, and the nominee?—It would.

899. Has the closing of the affairs of your bank been productive of inconvenience and distress amongst your connexions in the districts where your operations were carried on?—It has caused a great deal of distress in some parts of Yorkshire, and a great deal of distress in Manchester to certain parties; highly respectable gentlemen in trade, both in Lancashire and in Yorkshire, have gone to other banks and requested to have an account; the moment they have mentioned that they kept an account at the Northern Bank they could not get it.

900. Mr. *O'Connell.*] Were they shareholders?—Yes, shareholders; I myself went to one of the banks of Manchester; I was introduced to the manager by a director, and I said I wished to open an account; the answer he gave me was, "I have orders from my directors not to open any account for the present." Upon the other hand, a great number of our shareholders in Liverpool and Leeds and Manchester have had great difficulties thrown in their way in consequence of the directors of the Bank of England when they were down in Manchester taking an account of all our large debtors, wherever they were. This is known in Liverpool; it is known in Manchester; and the consequence of which is some gentlemen cannot at all get a banking account. I do not know how it came out, but it was perfectly known. It was known to the banks in Liverpool that such a man owed the Northern and Central Bank 10,000 *l.* or 12,000 *l.*, or whatever it was, and when they wanted to open an account at another bank, they were told, "You must pay the Northern off, and then come to us;" the consequence of which is, that several very respectable gentlemen have been put to great inconvenience.

901. *Chairman.*] Have you not sold several branches?—All but nine.

902. What are the branches you have sold, and what consideration did you obtain for them?—The branch at Leeds is sold for 6,500 *l.*

903. How much bad debts did you write off at Leeds?—£. 40,000.

904. What was the principle upon which the sale of that branch took place, and to whom was it made?—The branch at Leeds was sold before the second business with the Bank of England; it was sold early in December.

905. Did you sell the business and engagements of the bank with the bank?—The Yorkshire and Commercial Banking Company, the buyers, have the power to take such debts as they thought proper, and to reject the others.

906. Mr. *O'Connell.*] When they took the debts they were to pay for those debts besides the 6,000 *l.*—When they took the debts, supposing the debts amounted to 5,000 *l.* which they took, they were to pay for that 5,000 *l.* by certain instalments, which they are now in the progress of doing.

907. They bought your business?—They gave us for the goodwill of the business, 6,500 *l.*; and I can mention that six months before that time we could have had 30,000; at all events, 25,000 *l.* for the bank at Leeds.

908. Sir *J. Wrottesley.*] Did they take your deposits also?—They took the deposits: there are very few deposits in the large manufacturing towns.

909. Can

909. Can you state the amount of deposits?—It might be from 17,000*l.* to 20,000*l.*

910. Mr. *O'Connell.*] By taking your deposits, you mean, that they made themselves liable to pay the depositors?—They made themselves liable. If a depositor had 1,000*l.* in the Northern Bank, and it was transferred to the other, they exchanged the receipts. We got our receipt back again, and they gave the depositor their receipt.

911. You of course deducted that 1,000*l.* out of the proceeds of the 50,000*l.* debts?—It would not be a debt, it would be a credit to the bank.

912. The depositor had 1,000*l.* due to him, and the Yorkshire Bank made themselves liable for that 1,000*l.*?—They did.

913. How were they to be indemnified for that 1,000*l.*?—They gave him a credit for it in their books.

914. Who was to pay them that 1,000*l.* which they were to give the depositor?—They themselves were to pay it; they had the means themselves.

915. From whom?—From their capital.

916. How were they to receive from you the 1,000*l.* which they would have to pay the depositor in such a case?—I refer to former answer, 910.

917. *Chairman.*] Was this the transaction between you and them, that they took the debts that were due to you, and they incurred the responsibility of the deposits, and then, as the bills and engagements of the bank were paid in, they paid the deposits out of them?—Suppose we had a deposit of 1,000*l.*, we gave the man the money at once, and he then put it back again into the bank, and got their receipt for it.

918. Mr. *O'Connell.*] Then you paid him?—We paid him in the first instance, and then the bank got it back again.

919. Sir *John Wrottesley.*] You gave the Yorkshire Bank debts owing to you to a greater amount than the deposits owing to your depositors?—Certainly.

920. Mr. *Goulburn.*] Was that 6,500*l.* which they paid you a money payment or a credit to your bank?—It was 6,500*l.* to be paid with the last instalment of the debt.

921. Then was it only a conditional payment in the event of their realising the debts?—No; they were to give us 6,500*l.*, whatever the debts were, for the goodwill of the bank.

922. *Chairman.*] Will you state the other branches that you sold, and the amount that you got for them?—The Macclesfield and Congleton, 2,500*l.*; Halifax and Cleckheaton, 300*l.*; Colne, Clitheroe and Keighley, 1,200*l.*; Wrexham, Oswestry, Mold, Holywell, Denbigh, Bangor and Carnarvon, 1,600*l.*; Nantwich, 1,300*l.*; Liverpool Bank, about 5,000*l.* or 4,500*l.*; Knutsford and Northwich, 2,700*l.* There are a great many others, but we have not received premiums for all; some of them we were obliged to dispose of without premiums.

923. Were those sold upon the same principles as you have described with regard to the Leeds Bank, namely, that you sold the good will of the business?—The goodwill of the business.

924. Mr. *O'Connell.*] Did you not give some value besides in the shape of office and fixtures?—They would have the fixtures in the office and the safe were most likely given to them.

925. Sir *John Wrottesley.*] Is the Birmingham branch sold?—The Birmingham Bank is not disposed of.

926. Mr. *Attwood.*] Has the circumstance of your being enabled to find parties willing to take these banks off your hands, somewhat alleviated the embarrassment and distress which would otherwise have taken place in the districts where those banks were situated?—Very much so.

927. Has that embarrassment been aggravated by the sudden manner in which you have called up the debts due to the bank?—It has been very much aggravated indeed by our being obliged to close our doors on the 1st of February. I consider it is a loss to the Northern Bank of at least 20,000*l.* to 25,000*l.* or 30,000*l.*

928. You think if you had given more time to your debtors you would have saved a loss to that amount?—I am quite convinced of it. If we could have given to the 25th of March, which I wished the Bank of England to allow us to do, I am convinced that parties would have been able to get the money from abroad and different places.

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929. Have you been obliged to ruin persons who would otherwise have been able to pay you if you had given them longer time?—I think so.

930. And therefore the distress has been much increased beyond what it would have been if you had been able to give longer time to your debtors?—Yes.

931. Sir *J. Wrottesley.*] Have the accounts of your debtors at the branches been taken up generally by those who have purchased the goodwill?—In some places altogether, particularly in two or three branches I could name, they have taken the books as they then stood. At Nantwich they took the debts as they then stood, guaranteeing all bills that were then going; and at Colne, Clitheroe, and Keighley, and one or two others, they did the same. At Tamworth they did the same, except one bad debt; Bakewell was taken up entirely. They took the accounts as they stood, guaranteeing the whole indorsements of the bank.

932. Then to that extent there has been little or no inconvenience to the public?—No.

933. Mr. *O'Connell.*] The bills which you discounted at Manchester were, many of them, payable in London?—Nearly all payable in London.

934. Did London bills at short dates bear a premium at any time in Manchester?—I do not recollect that they did.

935. Then you did not look to make a profit by selling bills upon London at a premium?—We always looked to discounting in London cheaper, and making a profit in the country upon it.

936. Then you did not consider the sale of bills upon London in Manchester at a premium, as any source of profit?—I do not think we did.

937. Nor did you pass them as cash any number of days from one to ten or twenty, before they were due?—No.

938. Then that was not at all a source of profit in your contemplation?—Not at all.

939. From the commencement, then, you looked for your resources to the re-discount of bills in London?—In a great measure, we did.

940. Do you think that that was a safe banking principle?—I think not, now.

941. In fact, your profits ought to be the discount of bills and commission, and upon every bill that you re-discounted, you gave away a share of your own business and of your own profit?—We did.

942. Without the least prospect of making money by the sale of bills?—Yes.

943. *Chairman.*] Supposing that at the time when the pressure occurred, you had not only had as available assets bills that you might have re-discounted, but that you had invested a certain proportion of your paid-up capital in Government securities, do you think that your position would have been better than it has turned out to be?—I am quite sure it would.

944. Then, profiting by your experience, you would prefer to have invested a certain proportion of your capital in Government securities?—I certainly think it advisable.

945. How many dividends have been paid by the Northern and Central Bank?—Three, I think.

946. Five and seven per cent.?—Five per cent. and seven per cent., and half a year at the rate of eight per cent.

947. Were these dividends declared upon striking the balance and writing off the bad debts?—Yes.

948. Looking back now at the past transactions, as explained by the present state of the bank, do you conceive that your banking profits warranted the declaration of those dividends?—We considered so at the time, but at the present time we certainly see that a great number of bad debts have been made in consequence of the bank closing; I consider that if we could have stood still we should not have made those large dividends of eight per cent.; we should have made less dividend, and we should have taken off more capital for bad debts, although it is notorious that we made fewer bad debts than any other joint stock bank.

949. You stated on Monday, that you thought that the difficulties you had laboured under arose from the undue facilities given in the way of overdrawn accounts; do you conceive that those facilities of overdrawn accounts and the facilities

facilities given to credit in any respect originated with your having a great number of shareholders?—If A. B. applied for an account at the bank we never took into consideration whether he was a shareholder or not; if it were stated to the board, we did not take it into account at all; some people say we did; I say we never did take it into account.

950. Did not the fact of your having shares to distribute give you a facility of extending your business?—We thought it would bring custom to the bank.

951. Did not you use the shares in distribution with that object?—We did.

952. Were not the facilities of credit to which you have alluded as a source of your embarrassment connected with that extension of your business?—I think, with the exception of a very few, the shareholders have not had very large advances.

953. Do you think there would have been so many overdrawn accounts, if the bank, in place of consisting of so many shareholders, had been a bank with 700,000 *l.* capital, and belonging to three or four individuals, and managed upon the principles of a private bank?—I think perhaps it is right to suppose that it might weigh with the manager to say, this gentleman holds 100 or 200 shares, in giving him an advance. But in regard to the board, we did not consider any shareholder to have a preference over another person.

954. Do you think that the transactions which appear in the private ledger, in which there are overdrawn accounts to the extent of 255,000*l.* to directors themselves, would have taken place if it had not been a bank of such extended connexion as your bank was?—I think those parties would not have had that extent of credit, certainly. I should like, in justice to one gentleman, to mention one circumstance: there is included in that list, Mr. Stell. Mr. Stell had a large advance, as appears in that list. He paid 40,000*l.* immediately upon its being shown to him.

955. Your shares are 10*l.* shares, and the whole paid up. Now, supposing those shares had been of a larger sum, say to the extent of 20*l.*, do you consider that the facility which you would then have had of calling upon your shareholders for a further payment on account of their shares, say an instalment of 1 *l.* or 2*l.* a share, would have given you facilities in meeting the pressure from which your bank has suffered?—If we had not had the whole of our capital paid up then, as soon as we felt embarrassment we should immediately have made a call, and that call would have been responded to, and relieved us from our difficulty.

956. Then if your shares had been originally 50*l.* shares, upon which 10*l.* or 20*l.* had been paid up, you think the power of making a call upon your shareholders would have enabled you to meet more satisfactorily the pressure which has been upon you?—I am sure of it.

957. Then the result of your experience would lead you to disapprove of the principle of very small shares, and the whole amount of those shares being paid up?—I think they ought not to be so small; there should be no shares in my idea of less value than 50*l.* shares, as much paid up as the Legislature might think proper, but I think there should always be what we call a back set. If we could have called our shareholders together and told them the situation we were in, and told them that we were bound to make a call immediately, it would have been responded to. It was asked on the former day, why we did not call the shareholders together; it was because we had no claim upon them.

958. You have been examined with respect to your branches, and you have stated, that from your inexperience in banking, and from improper choice of managers, you have suffered losses; but do you consider it was a safe system of banking to have undertaken the management of so extensive a piece of mechanism as that which was described in the papers laid before the Committee last year?—It was very imprudent; and I consider that branches at the distance at which the Northern Bank had them, are extremely dangerous to the good of the community at large. I think if we had had three or four branches within a certain distance from us, the business of the bank would have been well conducted, but when we had branches at Nottingham and at Bristol, and other large places, not within the scope of the directors to go over and examine, I think it is a very bad system, and I would recommend most

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strongly the Legislature not to allow branches to any extent, but certainly to keep them within a certain distance.

959. Mr. *O'Connell.*] Must not it depend altogether upon the vigilance with which the branches are controlled?—I have looked upon it in this light; I have had the greatest confidence in the managers at the branches which have been the most disastrous to us. I went over to Leeds myself, and examined the accounts fully, and was assured in my own mind that everything was perfectly right, and was not at all aware that the manager was conducting the business in an improper manner, and therefore I do consider, having been deceived in the way I have, that it is a great evil to the country, for we cannot get a man to lend out the money of others as he would lend out his own.

960. Mr. *Smith.*] You have about 40 managers and agents?—We had 38 branches.

961. With regard to finding persons for those appointments, what steps did you take to get competent persons?—In the first instance we had a great number from Scotland; Mr. Cassels, our manager, had been a banker there, and he knew a great number of respectable parties, and we got a great number of Scotch managers, that we did not know much of ourselves, but we believed them from his recommendation to be perfectly good.

962. *Chairman.*] Who were your London bankers?—Barnett, Hoare & Co., Prescott, Grote & Co., and the London and Westminster Bank.

963. Were your arrangements the same with those three bankers, or did they differ in any or in what respect?—They differed very much.

964. Will you state in what respects they differed?—Barnett, Hoare & Co., never allowed any advance except what they call a covered advance; with Prescott, Grote & Co., it was understood that we should have 30,000 *l.* advance in cash, and I think 30,000 *l.* in bills, making together 60,000 *l.*, that is, 30,000 *l.* in cash uncovered, and 30,000 *l.* in bills uncovered, under the acceptances of their bank. With regard to the London and Westminster Bank, there was a different arrangement again; we there had facilities granted to us which were certainly more extended. At the same time it was perfectly understood that we were not to make use of those facilities of the London and Westminster excepting in a case of great emergency.

965. What were the facilities to which you allude?—The London and Westminster Bank agreed to allow us 50,000 *l.* in cash uncovered, and 100,000 *l.* in acceptances; but it was perfectly understood that we were not to use it without great emergency.

966. Mr. *O'Connell.*] What was the profit of Prescott, Grote & Co. upon their dealing with you?—We paid, I think, a commission of 1 *s.* per 100 *l.*, exclusive of interest.

967. And the same upon your bills?—The same upon all.

968. Mr. *Smith.*] On every item on the debit side of the account?—On every item.

969. Mr. *O'Connell.*] Interest at 5 *l.* per cent.?—Interest according to the day. At first we paid them 4 *l.* and afterwards it was advanced to 5 *l.*

970. Was your agreement with the Westminster Bank similar or higher?—I think it was similar, except that if it was a large extent of business, if it came to millions of money, it was reduced to 9 *d.* per cent.

971. Mr. *Hamilton.*] Had the directors under their deed of partnership or settlement a right to any advantage in which the proprietary had no share?—None whatever.

972. Then are the Committee right in collecting, that they actually had the following advantages: first, they had the advantage arising from the sale of shares, which shares they had not paid for in cash at the time of their sale?—Yes, they got that advantage, if any.

973. Had they also the advantage of the shares of the London and Westminster, and the Yorkshire and the Royal Bank of Ireland, which shares had been paid for from the funds of the bank, not in cash out of their individual purses?—If there is any advantage they will have had it.

974. Had they also the advantage of any advances made and entered in the private ledger to them individually?—We had no extra advances allowed to us in the private ledger. The private ledger was the share list.

975. Had they also the advantage of the difference of the price of shares distributed on the 21st of December at 1 *l.* premium when they were selling at

at 3 *l.*?—At the time they were given to us we were granting them at the board at 30 *s.* premium. *Henry Moult*, Esq. 2 March 1837.

976. But there was an offer made by Mr. Stell to take a certain number at 3 *l.* premium?—Mr. Stell's was a special agreement; he had three years' time given him to realise his profit upon them.

977. Mr. *Jephson.*] Supposing that A., a director, has 1,000 shares, of the value of 10,000 *l.*, and that by an arrangement amongst the directors, such as took place in January and December, he has 500 more shares appropriated to him, but in the name of B., worth 5,000 *l.*, making, by the understanding of the directors, an amount of shares of 15,000 *l.* Supposing that A. is allowed to draw for 15,000 *l.*, that is to the full amount of the shares of A. and B., and that A. fails, what legal lien would the bank have to detain so much of A.'s shares as stand in the name of B, the nominee?—Full lien.

978. Are they not in the transfer-book in the name of B. unconditionally, and without any reference to its being for the benefit of another person?—Perhaps it may be so, but I think the bank would have a lien upon them, because the special agreement of allotting those shares in the name of so and so would give them a lien.

979. Does that special agreement appear by the public books of the company?—It appears by the private ledger.

980. Have you shown that in the books of the company to-day?—Not to-day; but the journal was shown on Monday.

981. *Chairman.*] You were present at the annual meeting of the shareholders?—I was.

982. At which Mr. Broadbent and Mr. Harbottle were present?—They were.

983. They are two of the inspectors?—They are.

984. In the report of the proceedings of that meeting it is stated that Mr. Broadbent expressed himself to this effect, that he considered the report a far too favourable report; was that so?—He did.

985. Mr. Harbottle is reported to have stated, "that the directors had speculated to a great amount in shares, not only of that bank but in all the schemes of the past year; they had borrowed money from the bank for this purpose, and the inspectors had taken those shares as security, and they would no doubt realise the money advanced upon them. He would not conceal from the meeting the fact, that the money which ought to have been used for other purposes had been taken from the coffers of the bank to pay for those shares, and there was no doubt that it had been brought by that means to its present condition." Was that statement made by Mr. Harbottle?—Mr. Harbottle made a statement with regard to the shares; of course he alluded to the shares of which I have given an account, the shares of the London and Westminster Bank and the Agricultural and the Yorkshire District.

986. Have you any explanation to offer with respect to either of those statements?—I have an explanation to offer with regard to Mr. Broadbent's statement: Mr. Broadbent, I believe, as inspector, never gave one hour of his time to examine the accounts of the bank, therefore he could not be acquainted with the affairs of the bank.

Mr. *James R. Lyle*, called in; and Examined.

987. *Chairman.*] YOU are the accountant of the Northern and Central Bank?—I am. Mr. *J. R. Lyle.*

988. How long have you been in your present office of accountant?—About three years, since the beginning of February 1834.

989. Had you previously had any experience of banking accounts?—Yes; I was in the National Bank of Scotland for eight years preceding that.

990. Were you recommended by the National Bank to the Northern and Central?—I was.

991. Have you produced, according to the order of the Committee, a book purporting to be a private ledger that was kept?—It is here (*producing the same*).

992. When was this private ledger first begun?—The first entries occur on the 31st December 1835.

993. Up to that period had there been any private ledger kept?—No.

994. What were the circumstances which led to the keeping a private ledger?—

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ledger?—The reason which led me to adopt a private ledger was simply with a view of keeping the different accounts of profit and loss, such as capital and stock, interest and commission, charges, salaries, and various other accounts of that description, so as not to be in the public view of all the clerks, who were at that time very frequently leaving us, and of course we could not expect them to observe the same secrecy as when they were with us.

995. How had you kept those previously to that?—In the public books.

996. Had there been any practical inconveniences found to result from keeping those entries in the public books?—I considered it inconvenient that they should be kept there.

997. Will you state in fact what led you to believe it to be inconvenient so to keep them?—I cannot state any particular fact, but I have always been of that opinion; at the same time, a private ledger did not occur to myself till it was mentioned that a similar ledger was kept in another bank.

998. By whom was it so mentioned to you?—One of the clerks in the office.

999. What was the bank referred to?—The * * * Bank.

1000. In the bank in which you acted in Scotland, was any private ledger kept?—Not that I am aware of; there might have been private books, but I do not think there was any private ledger of that description.

1001. By whose direction did you keep the private ledger in the Northern and Central Bank?—I suggested that it should be done, and got authority for doing so from the directors.

1002. Was Mr. Moult chairman of the directors at the time that you got such authority?—He was; he has been always chairman.

1003. Were the directors consequently cognizant of the mode in which this book was kept?—I have no doubt they were; I must have explained it at the time.

1004. Had they access to it?—They had.

1005. Was it brought under their consideration?—Not particularly; it was seldom called for.

1006. Were the entries contained in this private ledger transferred from the accounts which were contained in the public books of the company?—Yes, the accounts which were previously in the public ledger were transferred at the end of the year in one sum to a similar account in the private ledger.

1007. Were the accounts of the shares transferred from the public accounts of the company?—They were transferred from the public accounts to the private ledger; the private ledger was got for another purpose, but it occurred that those accounts would be better put into this ledger at the same time.

1008. It appears by the share accounts in this ledger that very considerable advances have been made to the directors of the company on account of payments for shares; were those accounts which appear upon this private ledger transferred from the public accounts of the company?—Several of them were; such as were in existence at that period were transferred.

1009. Were all these which are contained in this book transferred from the public accounts of the company?—Not all; some of them were only raised at that time.

1010. Mr. *O'Connell.*] From the time you commenced this private ledger were you in the habit of transferring from any public book the entries in this private ledger?—Yes, I was; all that occurs in that book; whatever is there, which had previously existed, was in the public books.

1011. *Chairman.*] In the public records of the bank does the sum advanced to the directors for shares appear transferred?—It appears transferred, certainly.

1012. Where does it appear in this account; where does the amount advanced to Mr. Hardie, for instance, for shares, appear in the public accounts of the bank?—It appears under the general head of current accounts.

1013. Then in the general ledger of the company the sum of 70,491 *l.*, which appears here to have been advanced to Hardie & Co., would appear upon that public account?—No, that sum must have been composed of shares, and also of the business account.

1014. There is an overdrawn account of Mr. Hardie's of 2,300 *l.* and 53,000 *l.*, and there is an account in the private ledger of 15,129 *l.*, making together the sum of 70,491 *l.*; does that sum of 15,129 *l.* which appears upon this

this private ledger appear also in the public accounts of the bank?—No, it does not.

1015. It appears here that Mr. Agnew had an overdrawn account of 2,960 *l.*; it is presumed that that appears in the general account of the company?—It does.

1016. But there appears further two advances on the score of shares to Mr. Agnew's nominee, one of 1,400 *l.*, and one of 5,000 *l.*; do those appear upon the public accounts of the bank?—They do not.

1017. In the name of Mr. Binyon, Mr. Robinson being his nominee, there appears an overdrawn account of 407 *l.*; that appears upon the general accounts of the company?—It does.

1018. But there are two further sums in the private ledger of 2,400 *l.* and and 2,900 *l.*; do those appear upon the public accounts?—There must have been a mistake in the latter sum.

1019. Having stated to the Committee that several sums contained in this private ledger have not been transferred to the public accounts, will you state how you struck your balance upon the public accounts?—An account is raised in the general ledger under the name of the private ledger account, and the balance of that private ledger forms that article in the general balance.

1020. It is brought forward in the public accounts as one general sum, being the balance of this book?—It is.

1021. Sir *J. Wrottesley.*] And no further explanation is given as to the items of which the private ledger is composed?—There is the balance-sheet of the private ledger.

1022. In one sum, the details of which have never been submitted to the shareholders?—Not more than any of the other accounts in the ledger; no account in the ledger has ever been submitted to the shareholders.

1023. *Chairman.*] Was it you that kept this private account, yourself?—It was.

1024. Had you the custody of the book?—It was never out of my possession.

1025. Do you recollect the time when the gentlemen from the Bank of England attended at Manchester?—I do.

1026. Were you authorised to allow them to inspect the accounts in your possession?—I was desired to attend them and to give them every explanation.

1027. Did you give them this book?—I did.

1028. Had they this book given to them, with all the other books, on their first application?—No; that book was not produced for some time.

1029. Will you state how it came to pass that they discovered the existence of this book?—I think it was occasioned by an entry in some of the other books which referred to this, then they asked for it.

1030. Did they obtain it when they asked for it without any difficulty, or was there any sort of objection to produce it?—I did not produce it till I was authorised specially by the directors to do so.

1031. Do you know of any account which was furnished to them of the supposed balance of this book before the book itself was furnished?—No.

1032. Do you recollect anything of an account of 69,445 *l.* which was stated to be the balance due upon this account?—I do recollect something of that sort; so far as I recollect, it was simply a statement which I was desired by the chairman to make out as being the balance due from the various parties in that book.

1033. And it was 69,445 *l.*?—It was thereabouts.

1034. That was made out by you in pursuance of the direction of Mr. Moult?—It was.

1035. Was it furnished by you to the gentlemen from the Bank of England?—I think it was.

1036. Subsequently the book itself was given to them?—It was.

1037. How did it appear that the balance stood upon the inspection of the book; did the balance amount to 69,445 *l.*, or to any other sum?—It was intended by the parties to have reduced their accounts by giving a note of hand, and the amounts they had agreed to give were taken off previous to taking those balances.

1038. The real balances being considerably more?—The real balances being considerably more.

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1039. Was it about 160,000 *l.*?—The general balance of the accounts amounts to nearly that.

1040. But that was reduced in consideration of the intention of the parties to give notes of hand?—It was.

1041. Have they given those notes of hand?—I think there were several given, two or three of which were afterwards cancelled.

1042. On what ground were they cancelled?—I cannot exactly speak as to that; I think it must have been some arrangement between the directors and the inspectors.

1043. But those notes of hand were not given at the time the balance of 69,445 *l.* was handed in?—No, they were not.

1044. Mr. *O'Connell.*] Nor any entry made to correspond with them?—I deducted them from this account, but there was no entry made in the books to correspond with the entry made in the account.

1045. *Chairman.*] This is your own stock account?—Yes.

1046. Upon the 12th of October an entry appears in your own stock account, written in your own hand, to the following effect: "By" blank; and in the subsequent column a sum of 2,000 *l.* appears to have been entered, but afterwards cancelled?—It was intended that they should give notes to that amount.

1047. It also appears that the figure of the sum remaining due has been altered?—That was in consequence of putting out that.

1048. There appear also to be similar alterations in other accounts in the private ledger?—In several of the others.

1049. Does the same explanation that you have given apply to them all?—The same explanation applies to them all.

1050. Therefore, in point of fact, the account furnished of 69,445 *l.* depended on the execution of notes of hand which never were carried into effect?—No; but if a general account had been given at that time, of course it would appear that the bills or notes had been increased to a similar amount.

1051. Had there been any transactions with respect to shares similar to the transactions stated upon that private ledger before the private ledger was kept?—Yes, there had.

1052. Were those stated upon the public accounts of the company?—Yes; they were placed under the general head of current stock accounts.

1053. Sir *J. Wrottesley.*] You have been an accountant a great many years. Is it the practice in any banks ever to make erasures in the accounts?—I think it is impossible to avoid it.

1054. Cannot you avoid it by stating the error to the debit or credit?—Generally it is done in that way.

1055. That is the usual mode of keeping the accounts of a bank?—Or by drawing the pen through them. When that can be more conveniently done it is so.

1056. In the accounts of the Northern and Central Bank are there many instances of erasures?—I am not aware.

1057. Are you aware of any?—I am not aware of any.

1058. *Chairman.*] Will you inform the Committee what was the object of making those entries by which those parties respectively were credited with those sums?—I cannot answer that; it was done by order of Mr. Moult the chairman.

1059. By whose order were those entries subsequently cancelled in the way they have been?—I do not think any particular order was given, but the understanding was that the notes were not to be drawn out; I, of course, cancelled the entries.

1060. Was an order given for the execution of this note of hand?—There was.

1061. Was that order given subsequently to the transactions with the Bank of England?—It was previous to the transactions with the Bank of England.

1062. At what period were those entries made?—About the beginning of December, as nearly as I can recollect.

1063. Sir *J. Wrottesley.*] By whose order were those erasures made?—I do not call those erasures.

1064. What do you call them?—I should say these are cancelled entries.

1065. By

1065. By whose order were those entries cancelled?—I do not think there was any order given.

1066. Then you did it entirely of your own authority?—I did.

1067. Mr. *Smith.*] Are you sure that Mr. Moult authorised their original insertion?—Perfectly certain.

1068. Mr. *Clay.*] Are the sums in the account marked (G.) in the statement furnished by the Bank of England, amounting together to 56,212 *l.* 9*s.* 3*d.*, comprehended in the general account (D.) also furnished by the Bank of England?—Yes.

1069. And your account, therefore, which stands in it at 1,530*l.* is comprehended in the general balance stated as being due from you of 2,319 *l.*?—Yes.

1070. *Chairman.*] In the account of Mr. Hardie, it appears that a credit was entered to him for 10,000*l.*, leaving a balance due of 5,129*l.*; when the entry of the 10,000*l.* was cancelled, was there not a 1 put in addition to a 5?—When it was cancelled that became necessary.

1071. The same applies to the account of Mr. Vernon; 10,000*l.* was taken from one side and added to the other?—Yes.

1072. In the account of Mr. Thorpe, 1 was changed into a 6?—Yes.

1073. Can you state exactly the period at which those entries were made?—As nearly as I can recollect, they were the 1st of December 1836.

1074. Was not the first communication with the Bank of England made on the 28th of November?—I cannot speak to that.

1075. Can you not inform the Committee whether a visit from the Bank of England or the directors was contemplated at the time that those directions were given?—The directions to make promissory notes were given to me before there was anything in relation to the Bank of England, but I did not attend to the directions till, in fact, something had taken place with the Bank of England.

1076. And the account furnished to the Bank of England of the 69,000*l.* was furnished agreeably to those entries as they were originally made?—Yes, as it had been previously intended.

1077. Then at what period were the cancellations made and the alteration in the account?—Probably a month afterwards.

1078. Do you consider that the giving a note of hand under those circumstances made any alteration with respect to the liabilities of the parties?—Not in the least.

1079. Then the only effect of furnishing the note of hand was diminishing the apparent balance in this book, and increasing the amount of liability in another account?—Yes.

1080. But the practical effect was diminishing the claim against the directors upon the private account?—Yes.

1081. Sir *J. Wrottesley.*] Of the shares allotted in January 1836 were many sold during the year 1836?—Not many.

1082. Can you state how many?—Probably 1,000 or 1,200.

1082*. When those shares were transferred by the directors, or their nominees, did they pay in cash the proceeds of those shares?—Generally they did.

1083. Is there any public account of the sums of money paid in by the directors for shares during the year 1836?—The accounts are there.

1084. Then whatever money was paid for shares sold will appear in the private ledger?—Not always. In one instance the shares were sold, and the party gave me a cheque upon his public account for the amount; but they did not come to me as they were sold.

1085. Who was that person?—Mr. John Fernely.

1086. Is he the only director who paid in money out of his public account for the sale of shares?—So far as I am aware he is the only one.

1087. *Chairman.*] Did Mr. Fernely, in point of fact, disapprove of any portion of this transaction about shares, and express his disapproval of it?—I can scarcely speak to that. He seldom said anything to me. From some expressions that dropped from him I conceive that he disapproved of it.

1088. Mr. *Clay.*] Can you furnish the Committee against the next day of meeting with a statement showing the nature of the securities held by the bank for sums of money, for which the directors are yet indebted to the bank?—No, I cannot.

1089. What is the reason you cannot furnish that account?—Because I was not present at any meeting of the inspectors when the securities were given.

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All the securities given over to them were kept in a box, to which they only had access.

1090. Who can furnish such an account to the Committee?—The inspectors.

1091. Can you furnish an account to the Committee of the nature of the securities for advances made to other parties, not directors, divided under these heads: bills not due, bills overdue, mortgages, promissory notes, shares of the company, and under such other heads as may explain the nature of the security held by the bank for advances made to the customers?—I should require to go through the whole of them. It would be a work of considerable labour, but I have no doubt I could do it.

1092. Not stating the names of the parties that have given the securities, but classifying them, and stating what those securities consisted of; for instance, so many shares of such a company, so much real property, mortgages, deeds deposited, and so on?—We have found that, generally speaking, very little of that has ever occurred. It sometimes happened that the party got an advanced account upon the deposit of deeds.

1093. Can you give copies of any accounts which were submitted to meetings of the proprietors at the time of declaring the dividend?—I can.

1094. Can you give copies of any accounts that were submitted to the board of directors, at which boards decisions were come to as to the dividends to be made?—I can; I have made out those accounts.

1095. Will you furnish them to the Committee?—I can do it, of course.

[*The Witness was directed to furnish an Abstract of those Accounts to the Committee.*]

1096. *Chairman.*] You saw the questions put last year by the Committee to the Northern and Central Bank; amongst those questions is the following: "Amount of paid-up capital?" to which the answer is, "711,860*l.*" Do you consider that to be a true answer to the question?—It was the amount appearing upon the face of the books.

1097. Was it the amount appearing upon the face of the books, when explained by the private ledger account?—I consider that that part of the money had been lent to the directors.

1098. Lent by the bank?—Lent by the bank.

1099. Then, if the money had been lent by the bank to the directors, can it be justly and fairly said that the amount of 711,000*l.* capital had been paid for shares?—In the ordinary acceptation, it was.

1100. Is not the ordinary acceptation of the amount of capital paid up to the bank the amount which the shareholders have paid to enable that bank to carry on its business?—Yes; but upon the principle of allowing of cash credits, by which a shareholder pays 500*l.* for his shares and gets a credit for the half of that, I still consider the capital as 500*l.*

1101. Supposing the bank had advanced the whole 700,000*l.* in that manner, would there have been one single sixpence paid up as the capital of the bank?—The supposition is an extreme one; but it would not, in fact, certainly.

1102. Is not the same principle true when the same operation was effected with respect to the amount of shares taken by the directors?—In this view the principle is the same, certainly.

1103. Sir *John Wrottesley.*] Can you give any account by which the Committee could understand how much of the paid-up capital consists in debts from the shareholders?—No, I could not; we have lent money to the shareholders without reference to their shares.

1104. Could not you do it by taking the amount of their debt and subtracting from that the amount of their shares?—That might be done.

1105. Would it be a very tedious process?—It would be a very tedious process.

1106. *Chairman.*] Was it you who made up the account furnished to the Committee last year of the liabilities and assets of the Northern and Central Bank?—Yes.

1107. By this account it appears that at that period there was 1,080,000*l.* of current accounts due to the bank; does the private ledger account enter into that item?—It does.

1108. It is comprehended in it?—It is.

1109. Can you state whether any considerable portion of that amount of overdrawn accounts was advanced to the shareholders and directors of the bank or to the public generally?—It was to the public generally; a portion must of course have been to some of the directors, from the extent of their accounts.

Martis, 7° die Martii, 1837.

MEMBERS PRESENT.

The Right Hon. the Chancellor of the Exchequer.	Mr. Clay.
Sir John Wrottesley.	Mr. T. F. Baring.
Mr. Jephson.	Mr. Strutt.
Mr. Hamilton.	Mr. O'Connell.
Mr. P. Thomson.	Sir James Graham.
Mr. Loch.	Sir T. Fremantle.

THE RIGHT HON. THE CHANCELLOR OF THE EXCHEQUER,

IN THE CHAIR.

Mr. *Thomas Evans,* called in; and Examined.

Mr. *T. Evans.*

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1110. *Chairman.*] WHAT situation do you hold in the Northern and Central Bank?—I am the manager.

1111. What are your duties as manager?—A general superintendence of the business, and to carry out the orders of the board.

1112. Have you any authority as manager independent of the directions which you receive from the board?—None.

1113. In what mode are those directions communicated to you?—I attend the board every day; at the daily board instructions are given.

1114. Are they given verbally, or is there a minute made in the records of the board of directors, which is your authority for taking any step?—A minute is made in the board book.

1115. Who keeps the minute book?—Mr. Thorpe, the managing director; in his absence, I do it.

1116. Is there more than one minute book kept?—Only one daily minute book.

1117. What other minute book is kept?—There is a separate minute book for the weekly board.

1118. Are the transactions of the weekly board a revision and confirmation of the transactions of the daily board?—They are.

1119. And those minute books are the only minute books kept?—The only ones.

1120. There is no private minute book kept?—None that I ever saw or heard of.

1121. And it is your duty as the manager to attend the meetings of the board?—It is.

1122. Could any private minute book be kept without your knowledge?—It is possible, but it is not likely.

1123. Did you ever hear of such a thing?—I never heard of such a thing.

1124. Do you believe that such a book is kept?—I do not.

1125. Do you recollect the transactions at the close of the month of November last?—I do.

1126. You were sent up to London upon that occasion?—I was.

1127. What was the occasion of your being sent up to London?—The particular occasion of my journey to London was from the scarcity of money which we felt, and to be the bearer of a considerable remittance.

1128. When did that scarcity begin to show itself?—I think it commenced about September, and it continued through the months of September, October and November, but November more particularly.

1129. What was the amount of the remittance you were charged with?—Including every thing, I think it was about 108,000 *l.*

1130. How did you travel from Manchester?—In the mail.

1131. Where were you to deposit the remittance with which you were charged?—

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charged?—At our London office; the remittance had no direction, it was in my own control.

1132. By the London office, do you mean the office kept by Mr. Cassels?—Yes.

1133. What occurred upon your arrival at the office in the morning?—On my arrival in London at the Post-office, I left the mail, and called a cab, and I got into the cab and was driven to the St. Paul's coffee-house; my mind was very much engaged at the time upon the state of things generally, and the matters I should have to discuss; and, at the moment of leaving the cab, I lost sight of the bag, and left it behind me in the cab, taking out my other things of course.

1134. What steps did you take upon losing the bag?—I discovered in two minutes that I had not got my bag, and I immediately ran out into the street, and followed the cab as I hoped to the Post-office, but without success; then I came back to the St. Paul's coffee-house and went to Mr. Braidley's room, and informed him of the circumstance; from thence I went to the Mansion-house, and saw Forrester the officer, and Mr. Bush the solicitor to the bankers, and took the proper measures to recover the bag, in which I fortunately succeeded the same evening at eight o'clock.

1135. How did you recover it?—In consequence of a hand-bill that we put out, offering a reward of 10*l.*

1136. You have stated that you consulted with Mr. Braidley; what had brought him to London?—Mr. Braidley had been in town for two or three weeks.

1137. Had he been sent to town upon the business of the bank?—I think he was.

1138. Mr. *O'Connell.*] Do you know what brought him to town?—I believe it was the business of the bank, principally; I do not know that he had any other business.

1139. *Chairman.*] Were you directed by the board of directors to communicate with Mr. Braidley on your arrival in town?—Certainly.

1140. And to act in conjunction with him?—Certainly.

1141. And the pressure which you have described existed previously to the time of Mr. Braidley's going to town; and was that pressure the cause of his going to town, or was there any other cause?—I think the pressure we felt was in a great measure the cause of his coming to town. It was considered desirable to have one of the directors in town with Mr. Cassels.

1142. And Mr. Braidley was so charged?—Yes.

1143. Upon losing the bag containing the remittance, what steps did you and Mr. Braidley take?—In the afternoon we went to the Bank of England.

1144. At what hour?—I think about five o'clock.

1145. Had you, previously to that hour, communicated the loss you had sustained to your London correspondents?—It was communicated to them all immediately.

1146. You have stated that the remittance amounted to about 108,000*l.*; of what did it consist; was it in cash or bills?—The bills were about 94,000*l.*; Bank of England notes, about 5,200*l.*, and about 9,000*l.* in American securities.

1147. What were the American securities?—United Bank stock shares. I beg leave to say, that we did not go to the Bank of England upon the parcel being lost.

1148. Then are the Committee to understand that the loss of the parcel was not the cause of your going to the Bank of England?—Certainly not.

1149. Had you instructions, before you left Manchester, to make any application to the Bank of England?—Certainly not.

1150. Was it by the advice of your London correspondents, or was it upon your own decision, in consultation with Mr. Braidley and Mr. Cassels, that you applied to the Bank of England?—We found it difficult to obtain money from any of our correspondents; and two or three of them suggested to us, that if we went to the Bank of England we should receive assistance.

1151. Can you inform the Committee what the proposition was that you made to the Bank of England?—We proposed to the Bank of England to discount for us from 100,000*l.* to 200,000*l.*

1152. Was that on the 28th?—Yes, the first time we went; and I proposed,

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as a satisfaction to the Bank for making us the advance, that we would immediately take steps to close two of our largest and distant branches.

1153. Which of your branches?—The Leeds and Nottingham were the branches that I intended, but I am not aware that I named them.

1154. On what security did you propose this advance of 200,000*l.* to be made?—I proposed it on the security of bills that I had brought to London, and the promissory notes and other securities that we could obtain from those branches where we had large amounts due to us.

1155. What bills had you with you at the time you made that proposition?—I had 100,000 *l.* bills; but I had not the bills with me at that time, because the parcel was not found then.

1156. On what security did you propose this advance of 200,000 *l.*?—Upon the securities that we should receive from those branches; there was about 300,000*l.* due to us, and we proposed immediately to recover that in the best way we could in bills.

1157. What reply was made by the Bank of England to that proposition?—The reply of the Governor was, that the amount we requested would not be sufficient for us, and that we must take a larger amount; the Governor took views that we did not at the time.

1158. Was any statement made by you at that period of the affairs of the Northern and Central Bank?—None whatever.

1159. Was any statement of the affairs of the Northern and Central Bank made by Mr. Braidley with your knowledge?—Mr. Braidley made a verbal communication to the Bank at that period.

1160. Then are the Committee to understand that the Bank of England took a less favourable view of the affairs of the Northern and Central Bank than the representation of Mr. Braidley would have led them to expect?—Certainly they did.

1161. Did you come to any conclusion in that interview of the 28th?—No.

1162. When did you again see the directors of the Bank of England?—The next morning.

1163. What occurred the following morning?—I cannot recollect whether we saw them a second time the same evening or not.

1164. What occurred when you saw them next?—They then stated that the only terms on which they would render any assistance to our bank were the relinquishment of the whole of our branches.

1165. Was there any statement then made as to the amount of assistance which you would require from the Bank of England?—No further statement; we endeavoured to point out to the Governor and Company of the Bank that we were in a very good and healthy state, and that we were not aware of requiring any extreme assistance in the light in which the Governor viewed that we should require it.

1166. Do you remember how much assistance you had suggested on your second interview as being necessary for the purposes of the Northern and Central Bank?—The amount specified was 500,000 *l.*

1167. Was that specified by you, or specified by the Bank of England?—By the Bank of England; indeed the Bank of England went further, by saying that we might have a million if we wanted it.

1168. By whom was that expressed?—Mr. Horsley Palmer.

1169. At that time had you not recovered the 108,000 *l.* which had been lost in the cab?—We had.

1170. Did you and Mr. Braidley on that occasion sign any letter of application to the Bank of England?—We had that morning; I cannot exactly say at what period of the arrangement it was signed; it was signed before we left the Bank.

1171. A letter is before the Committee to the following effect; signed "Benjamin Braidley and Thomas Evans," and dated "London, 29th November 1836:" "In consequence of the urgent necessities of the Northern and Central Bank, and under the severe pressure they now experience, we beg, on behalf of that establishment, to apply to the Governor and Company of the Bank of England for an advance to sustain the current engagements of the Northern and Central Bank. We are desirous of receiving immediately the loan of 100,000 *l.* upon the discount of paper now submitted, and we request the aid of the Bank for a further sum, not exceeding 400,000 *l.* beyond the above

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100,000 *l.*, to be advanced to us, as may be found necessary." Is that the letter in question?—It is.

1172. Having stated that, on the former evening, when you had lost the 108,000 *l.*, you considered that 200,000 *l.* would be sufficient to meet the wants of the bank, how do you account for your requiring by this letter, dated the subsequent day after you had recovered the 108,000 *l.*, assistance, not to the extent of 200,000 *l.*, but 500,000 *l.*?—The Bank of England restricted us in a way we never expected; as the arrangement progressed they restricted us from parting with any bills but to them; therefore, instead of getting our money from the usual sources through brokers and others, we were compelled to get everything from the Bank of England.

1173. How do you reconcile the statement you made of your considering the affairs, and your representing the affairs of the Northern and Central Bank to be in a healthy state, with the allegation in this letter, that you were in circumstances of urgent necessity, and suffering under a severe pressure?—We were compelled to sign that letter, otherwise the consequences would have been perhaps more serious.

1174. Do you mean to say that you signed a letter, containing an allegation with respect to the credit of your own bank that you did not believe to be true?—I did find a pressure at the moment; if we had not felt a pressure at that moment we should not have gone to the Bank of England, and having gone to the Bank of England, we were obliged to acknowledge that pressure; but we did not acknowledge it to the extent that the Bank of England imagined.

1175. Did you remonstrate or object to signing the letter, as containing an allegation contrary to the fact?—We were in that situation with the Bank that it was useless to remonstrate.

1176. Then you did not remonstrate?—We did not remonstrate; the letter was read and signed, and I never had the letter in my hand, and never had a copy of it.

[*A paper was shown to the Witness.*]

1177. You have stated that Mr. Braidley made a representation of the affairs of the Northern and Central Bank upon that occasion to the Bank of England; a paper has been put into your hands containing an account, from which it would appear that the deposits of the bank amounted to 260,000 *l.*, the circulation of the bank to 300,000 *l.*, making a total of 560,000 *l.*; from which is deducted the amount of cash of 180,000 *l.*, leaving a balance of 380,000 *l.*; was that statement made by Mr. Braidley upon that occasion?—I think it was thereabouts.

1178. Did you make any statement upon that occasion of the marketable bills which you held, and of the amount of the overdrawn accounts of the bank?—I made no statement of any kind to the Bank.

1179. You and Mr. Braidley appearing together on the part of the Northern and Central Bank, was any statement made by Mr. Braidley to that effect?—I do not recollect that there was. The Governor of the Bank requested me to send him a statement of the accounts of the bank, and I told him he should have it as soon as I returned home; and a statement was immediately sent to him.

1180. Do you remember at what time?—It was sent in a few days.

1181. It was sent before your second visit to London?—Yes.

1182. Was that statement sent by you?—No, sent by the accountant; I had nothing to do with the accounts in any way whatever.

1183. When did you return to town?—On the 15th of December.

1184. What led you to return to town on that occasion?—Being requested to attend at the Bank of England.

1185. What occurred upon that second occasion?—A reference to a discrepancy between the account that Mr. Braidley had represented and the statement of the accounts which had been forwarded to the Bank of England.

1186. Was that a material difference, or a slight one?—It alluded to a material difference in appearance, though not in effect.

1187. Will you state what the difference was?—It alluded to Mr. Braidley having given the balance of the current accounts instead of giving the items on both sides of the account, as it was sent on paper afterwards.

1188. What

1188. What difference did that make; what item was consequently excluded from the account furnished by Mr. Braidley in the first instance, and included in the account subsequently furnished?—The account sent from the head office showed the amount of overdrawn accounts, the sum total on the one side, and the amount of credit balances on the other side; whereas Mr. Braidley, I believe, stated to them the amount of the balance of those two sums only.

1189. Were there not overdrawn accounts at that period to the extent of 900,000 *l.*?—I think there were.

1190. Was there not a distinction drawn between the cash balances and the deposits?—A great distinction; we always made a great distinction.

1191. Are there any accounts kept by the Northern and Central Bank in a form that establishes the distinction between these cash accounts and the deposit accounts?—Yes.

1192. You are positive of that?—I believe so, but the accountant can explain that better than I can; we had a different form of acknowledgment; money that is deposited with us is taken in upon a deposit receipt purposely for that, which is different from the current account book.

1193. The question does not refer to the possibility of separating those two classes of engagements by an analysis of the accounts, but the question is, whether any separation in the existing accounts of the bank exists between the one description of security and the other?—Yes.

1194. You are sure of that?—Yes.

1195. In what shape is that separation made; is there a separate account book kept for the one and the other, or a separate column, in which the one class of sums are brought out, as distinguished from the other?—I should like to refer to the accountant upon this matter, because that is his department, in which I do not interfere.

1196. Mr. *J. A. Smith.*] The object of rendering the account rendered to the Bank of England upon the 29th of November was to show the amount of the liabilities of the bank?—I know of no object at all in rendering it to the Bank of England.

1197. Was it not meant to give an account of the liabilities of the bank?—I should think not, because it was not to meet those liabilities that we were asking for assistance from the Bank of England.

1198. Did not the amount of your assets, as compared with your liabilities, constitute the most important element of credit you had to offer to the Bank of England?—I did not view it in that light when we went [illegible]; when we went to the Bank of England for the assistance of from 100[illegible]0 *l.* to 200,000 *l.*, I viewed the application as something similar to going to a broker for it, without being expected to give any statement of the affairs of the bank. We were not called upon to pay off our deposits, we were not called upon to pay off our circulation, because at that period they were both as high or perhaps higher than they had ever been in the general way; and the credit of the bank was very high indeed throughout the country; and I explained that to the Governor, that the pressure we felt was only temporary in London, to meet our London payments. The Governor took a very opposite view from what we took of it; and it now turns out that the Governor calculated upon our having to pay off all our deposits and circulation, a circumstance that we did not for a moment entertain, and I endeavoured to impress the Governor with that feeling.

1199. By making your statement of the liabilities to the Bank of England, was it not intended to convey to them that you could not be called upon for a greater sum than the amount of deposits you stated?—I do not know what motive Mr. Braidley had in mentioning what he did to the Bank of England.

1200. Do not you conceive that you stated to the Bank of England the largest sum you could be called upon for?—I made no statement with regard to the deposits. The Governor asked me to let him have a statement of the assets and liabilities of the bank, and I replied that he should have it; and when I went home it was ordered to be done, and the Bank of England had a full statement of the affairs of the bank immediately, made up to that night, I think it was. I did not consider it necessary to make any representation to the Bank of England of the state of the bank, more than a general statement in the way in which it was done; and it would all have gone on well if we had not been

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been written down by the London press, in consequence of the statements coming out of the Bank parlour.

1201. Were you not cognizant of the fact that Mr. Braidley made a statement to the Bank of England directors, calling the amount of your deposits 260,000 *l.*?—I did not notice particularly what Mr. Braidley said; I heard him making those observations to the Bank, but I took no part in them; I did not consider that it was any part of the object of our entering the Bank parlour.

1202. With regard to the difference between the two sorts of deposit, that on cash credit and the deposit at interest, the distinction you draw between the two is, that in the one there is a receipt given on the part of the bank, stating that the money is taken in deposit and a certain interest given; is there any notice required from depositors on recalling their money?—We usually expect notice; we consider ourselves entitled to refuse to pay it without.

1203. But you are not entitled to any notice for the cash balances?—Certainly not.

1204. Therefore, of those two descriptions of liabilities of the bank, that which was most liable to be called for was the cash balances, not the deposits?—Just so; but then I set the call for those against the overdrawn accounts, which are continually paying, and which we had the power of stopping when we pleased; and, I should say, the one most likely to be called for was the cash credits.

1205. In giving a statement of the 260,000 *l.* as the cash balances, did you not give a statement of the particular description of deposits which was the least likely to be called for?—I did not give any statement. In Mr. Braidley's statement, I suppose, he alluded to money at interest.

1206. *Chairman.*] In point of fact, in the second account you furnished, did the deposits appear not as the sum of 260,000 *l.*, but 860,000 *l.*?—It is very probable that the deposits and credit balances put together would amount to that.

1207. And the overdrawn accounts amounted to the sum of 1,300,000 *l.*?—I suppose so.

1208. You were present during the whole of the interview between Mr. Braidley and the Bank directors?—I was.

1209. Mr. *O'Connell.*] And took a part in it?—No, I took no part in the statement made; I considered myself bound to make that return to the Governor which he asked for, from Manchester.

1210. *Chairman.*] But you signed the letter of application for the 500,000 *l.* to the Bank, and you made yourself consequently a party to the transaction?—Yes, I signed the letter of application to the Bank certainly; I was a party to the application; I went with Mr. Braidley to the Bank to ask for assistance.

1211. Did you yourself believe that that statement of the accounts rendered by Mr. Braidley to the Bank of England was a correct statement of the affairs of the Northern and Central Bank?—I did not enter upon the question at all.

1212. You did not know whether it was correct or not?—No; I did not enter upon it at all in any way.

1213. You appeared at the Bank in company with Mr. Braidley as representing the Northern and Central Bank?—With the view of receiving assistance, but not with a view of giving them any explanation of the affairs of the bank.

1214. But when an explanation was called for and given by Mr. Braidley, did you object to the explanation then given or express any dissent from it?—An explanation was not called for by the Bank; what Mr. Braidley said, was merely said by way of conversation and verbal communication. The Bank of England did not call upon us to make a statement, otherwise I should have said that I was not prepared to make any statement, but that we would send home for a copy of our returns, and that should be laid before the Bank.

1215. Mr. *O'Connell.*] What do you mean by conversation; was not Mr. Braidley's object manifestly to make an impression by his statement upon the Bank of England that should induce them to advance money?—I suppose his object was that.

1216. Can you have any doubt of it; did not you hear that statement?—Yes, I heard what Mr. Braidley said.

1217. And

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1217. And you said you were there to assist?—Not to assist in making any statement.

1218. But to assist in the object?—Yes.

1219. What assistance did you give?—In requesting the Bank to make us the advance.

1220. A mere request without any circumstances to warrant it, to justify it, or to show the pressure upon yourselves?—I stated the bills that we had, and what was due to us at the branches; that we should close them, and that we should obtain bills from those branches. That was the extent to which our application and information was intended to go.

1221. You stated that yourself?—I did.

1222. You then took a part in the transaction?—Certainly.

1223. Mr. *Jephson.*] Was not your attendance there as manager in order to give assurance to the Bank directors as to the correctness of all that Mr. Braidley as a director might state?—No; I went to make the application with Mr. Braidley; but if questions had been put to me as to the amount of our assets and liabilities, I should have referred to the head office for the proper documents. I did not go from home prepared to make that statement, or with any intention of going to the Bank of England at all. If I had come up with any intention of going to the Bank of England with a statement of our affairs, of course I should have gone with a proper and correct statement. I was not aware that any observation was going to be made upon the affairs of the bank in any way.

1224. *Chairman.*] Did you not think that the assets and liabilities of the bank were matters upon which information must necessarily be required, when so large an advance as an advance of half a million was to be made?—When we went to the Bank of England we had no idea of its being half a million; we only asked for a temporary aid of from 100,000 *l.* to 200,000 *l.*

1225. Mr. *O'Connell.*] Even that was a very large sum?—I do not consider it so with the very ample funds of the Northern and Central Bank.

1226. Sir *J. Wrottesley.*] If your parcel had not been lost, should you have had any occasion to apply to the Bank of England at that period?—I think not.

1227. Then why did you continue the negociation with the Bank of England after the parcel was found?—The communication having been once commenced, Mr. Braidley thought it better to continue it.

1228. *Chairman.*] When you attended in town on your second visit, and the discrepancy which existed between the two accounts was pointed out to you and Mr. Braidley, what observations or explanations were given by either or both of you?—Mr. Braidley stated that he was speaking from a memorandum which he had received from one of the directors, I think, a fortnight or three weeks preceding. It had no reference to the then state of the bank at the time Mr. Braidley made the statement.

1229. At the time that Mr. Braidley made that statement first, did he give it to the Bank of England as a statement of the existing condition of the bank, or did he state, "This refers to the condition of the bank some time back"?—I do not think he made any statement of its being some time back; I do not recollect that he did.

1230. From the second statement of your affairs made to the Bank, was a greater advance rendered necessary than the advance originally made?—Not in consequence of the statement.

1231. You have stated that the first advance was 500,000 *l.*; has any other and greater advance been required for the Northern and Central Bank?—Yes.

1232. At what period was that required?—Soon after that 500,000 *l.* was advanced.

1233. Had the statement made by Mr. Braidley in the first instance been a correct representation of the actual condition of the bank, would that further advance have been required?—It did not alter it at all.

1234. You will recollect that the first statement made by Mr. Braidley showed 560,000 *l.* deposits and circulation, and cash to meet that of 180,000 *l.*, showing a balance of 380,000 *l.*; the subsequent statement raised the amount of deposits from 260,000 *l.* to 860,000 *l.*, and showed overdrawn accounts to the amount of 1,300,000 *l.*; now, if the first statement had been correct, would

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any further advance beyond the half million have been required?—If no more than 380,000 *l.* had been owing by the bank, certainly more than 500,000 *l.* would not have been required to pay it.

1235. Do you know the amount of advance which was subsequently required from the Bank?—I do not know the amount altogether; they have taken in the whole of our bills instead of allowing us to discount them elsewhere.

1236. What was the conclusion to which the Bank were led by the communications that you and Mr. Braidley made to them on your second visit; did they send down any directors to Manchester?—Subsequently to the second arrangement being completed.

1237. What was that second arrangement; did it comprehend a further advance?—A further advance.

1238. Do you remember at what period those directors went down to Manchester?—Towards the end of December.

1239. Upon the arrival of the Bank directors, were they allowed access to the books and accounts of the bank?—They entered into everything in the most inquisitorial manner.

1240. Can you inform the Committee what statement was made to the directors of the Bank of England of the amount of bills in the possession of the Northern and Central Bank?—I do not know.

1241. Supposing it to have been 373,000 *l.*, or any other given sum, do you know whether that comprehended the whole of the bills that were overdue?—I think so, most decidedly.

1242. Amongst those bills that were overdue, were the whole amount of the overdue bills which had been received by the Northern and Central Bank from the establishment of the bank included?—I believe so, but that is going back to a time antecedent to my engagement with the bank; I had not been more than about 10 months with the bank.

1243. The question refers to the period when you were manager of the bank; when the statement of the affairs of the bank was made to the directors of the Bank of England, was not the amount of bills specified?—I conclude so, but I had nothing to do with making those returns; the accounts are no department of mine at all; the accountant would have delivered that to them.

1244. You have stated that there was no private minute book of any kind to your knowledge; do you know anything of the private ledger?—I have heard of it.

1245. When did you first hear of it?—When I first heard much about it, I think was subsequent to the inquiry into the affairs.

1246. At what period did you first hear of it?—I first heard of it when the Bank directors were down at Manchester in December.

1247. You never heard of it previously?—I never heard of it previously; I knew there was a private ledger of course, but there had never been any discussion upon the subject, because, by the weekly accounts laid before the board, including all the stock accounts, I knew that that amount was brought from the private ledger.

1248. Were there any entries in the public minute books with respect to the transactions noted in the private ledger?—I do not recollect any.

1249. Were you, as manager, being, as you stated, bound to attend the meetings of the board of directors, kept in ignorance by the board of directors of the transactions in that private ledger?—No, I was not kept in any ignorance of it by the directors or by any one, I believe.

1250. Were you informed of it by the directors or by any one?—No, I never had any communication made to me.

1251. Had you any shares?—None.

1252. You had no shares which appear in the private ledger?—Yes, I had some shares which I have found since appear in the private ledger, but I did not know it at the time.

1253. Will you explain what you did not know; do you mean to say that you did not know you had any shares paid for, and the particulars of which appear in the private ledger?—I was aware, of course, that I had those shares.

1254. How long had you had those shares?—Some months; some considerable time.

1255. How were those shares paid for?—I do not know, for the accountant managed it; the accountant made the payment.

1256. They

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1256. They were your shares?—They were entered in my name.

1257. Did you pay for them?—Not then.

1258. Did you ever pay for them?—Yes.

1259. How did you pay for them?—In money.

1260. When?—In the beginning of February.

1261. Of the present year?—Yes.

1262. Subsequent to the investigation of the bank affairs?—Yes.

1263. Subsequent to the production of the private ledger before the Bank of England directors?—Yes.

1264. How did you pay for them?—In money. The accountant can explain that; he received the money.

1265. Was it paid by you out of your own funds, or paid by an advance from the bank?—No, the bank had nothing to do with it at all. Out of my own funds I paid the money myself to the accountant, and took his receipt for it.

1266. Sir *J. Wrottesley.*] Had you any advance from the bank about that period?—No, I had not; I paid off the balance of the account.

1267. Had you sold any shares previous to that?—No.

1268. *Chairman.*] It appears from the private ledger, that there is a stock account kept in the name of Thomas Evans, from June 1836 up to February 1837; were you cognizant of that account; which is your own account?—I was not cognizant of there being any such account in the private ledger; I knew what shares had been given to me, and that they were not paid for; I contemplated selling them.

1269. Mr. *O'Connell.*] Have you sold them?—I have not.

1270. *Chairman.*] Have they always stood in your own name?—They have.

1271. Was there any engagement entered into that they should not be sold, except under particular circumstances?—None whatever.

1272. They were given absolutely to you?—They were given to me to do what I pleased with; and I had no idea of holding them, and therefore I had no idea of being a debtor to the bank.

1273. Did you ever give a security to the bank by note of hand?—I did.

1274. For 3,500*l.*?—I did.

1275. Was not that an advance?—Yes.

1276. Sir *J. Wrottesley.*] You stated, just now, that there was no advance about that time?—It was not about that time, but previous.

1277. *Chairman.*] Was that note paid?—It will be when it is due.

1278. Was it with the proceeds of that note of hand that the shares were paid for?—Certainly not. The Northern and Central Bank had nothing to do with the money with which I paid off the balance.

1279. Mr. *J. A. Smith.*] But you have not paid off that note?—It is not due yet.

1280. *Chairman.*] When was that note passed at the bank?—I think it was in December; it will be due in June.

1281. Was that after the arrival of the Bank directors, and after the commencement of their investigation of the affairs of the bank?—No, it was before.

1282. Was it before your visit to London, and the loss of the remittance of the bills?—No, it was after that.

1283. It was, consequently, after the first application to the Bank of England?—After the first application.

1284. Mr. *J. A. Smith.*] Was it after the second?—No; I think it must have been between the two.

1285. Sir *J. Wrottesley.*] Did not you consider the note of hand given to the bank unpaid as an advance from the bank?—It is not unpaid; it is a bill discounted, upon which the interest and commission is paid, and the bill will be paid when it becomes due.

1286. *Chairman.*] At what date was that note of hand made payable?—Six months.

1287. Mr. *O'Connell.*] Then you got cash for it from the bank?—Yes.

1288. Did that cash go to the credit of your account?—Yes.

1289. *Chairman.*] So that it operated, as far as it went, as a diminution of the amount of accounts overdrawn?—Yes.

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1290. Mr. *O'Connell.*] Then, in point of fact, you did not get cash for it, but you got credit for it?—Yes.

1291. *Chairman.*] Then the effect of passing that note of hand was in the interval between the first application to the Bank of England and the investigation of the affairs of the Northern and Central Bank, apparently to reduce the amount of overdrawn accounts?—Yes, it had that effect.

1292. Was a similar course taken with respect to other overdrawn accounts at that period?—Yes, there was.

1293. Were those steps taken in reference to the overdrawn accounts of the directors and the persons specially interested in the management of the Northern and Central Bank?—Yes.

1294. Mr. *O'Connell.*] Is anybody a party to that security for you?—No.

1295. *Chairman.*] Did any of the directors give notes in like manner, for the purpose of apparently diminishing their cash advances?—I remember two, Mr. Moult and Mr. Braidley.

1296. At what time were you first apprised of the existence of this private ledger?—At the time the Bank directors were down there.

1297. Which was in December 1836?—Yes.

1298. Although your own stock account stands in this ledger from the June preceding, you had not been aware of the existence of that book?—I was not aware that I had any account in a book of that kind.

1299. Mr. *J. A. Smith.*] Were you in the habit of looking at the public ledger?—Occasionally.

1300. Did you ever look at your own account in the public ledger?—Yes.

1301. Did you not know that your account in the public ledger had been credited?—Yes.

1302. Were the shares that had been allotted to you shares in the Northern and Central Bank?—No, not in the Northern and Central Bank, but in the London and Westminster.

1303. Sir *J. Wrottesley.*] Do you hold them still?—Yes.

1304. Mr. *J. A. Smith.*] At what period were those shares allotted to you?—I do not know when it was.

1305. When did you first hear of them?—I suppose it was about the middle of the year 1836.

1306. Did any sum of money go to your debit in the public books of the Northern and Central Bank, in payment of those shares?—No.

1307. Did you never inquire how those shares were paid for?—No.

1308. When did you first learn how they were paid for?—I knew that all the London and Westminster shares which had been given to the bank were arranged by the accountant, as I said before; I think it was done by a transfer in the London and Westminster Bank account.

1309. *Chairman.*] Then they were paid for by the money of the Northern and Central Bank?—Yes.

1310. Mr. *J. A. Smith.*] If that was the case, ought not your account in the books of the Northern and Central Bank to be debited with this payment?—Certainly; of course.

1311. Did you never inquire where the account was debited?—Never; I considered that Mr. Lyle kept the account as so much London and Westminster shares, but I never made any inquiry into the subject at all.

1312. Sir *J. Wrottesley.*] If you thought that Mr. Lyle debited them as London and Westminster shares, what reason had you to suppose that they were allotted to you?—I knew they were allotted to me, for I had the certificate of them.

1313. As manager of the bank, had you any control over the advances made to the customers?—I never made any advances but what were sanctioned by the board of directors.

1314. Under those circumstances had you not access to the public ledger, and was not it necessary for you to know the state of the accounts of the various customers of the bank?—Yes.

1315. In inspecting those accounts, did it never occur to you that there was a large sum debited to the private ledger in the accounts of the bank?—Yes.

1316. Do you recollect what that amount was?—No, I do not.

1317. Was it 100,000 *l.*?—I should think more than that.

1318. Was it 200,000 *l.*?—There was no debit in the private ledger.

1319. If

1319. If there was no debit in the private ledger, how could the accounts be balanced?—The accountant must explain that himself.

1320. Mr. *O'Connell.*] Will you state what your duty as manager was?—The general superintendence of the business, and attending to the correspondence with all the other banks. We had 40 banks daily corresponding with us, and we had 500 to 600 customers at the head office. My duty was in the bank, and not up stairs in the accountant's department.

1321. Was the replying to those letters left to you?—Yes.

1322. Were you consulted as to the opening of accounts?—Yes; I saw customers who came to open accounts. They came to me, and I consulted with them upon the accounts they wished to open: those were submitted to the board, and generally made the subject of a minute upon the board book, to show that they were opened under the approbation of the board.

1323. Then that part of the business was done entirely through your intervention?—Yes.

1324. Then the extent of credit to each customer must have been before you?—Yes; I knew the accounts that I had opened.

1325. Then it was your duty to check an undue extension of any credit?—If they got beyond a limited amount.

1326. Then you were bound to perpetual vigilance upon all these accounts?—Yes; but the Committee will understand that there were 500 or 600 accounts opened before I went to the bank; we had no limit to those, as to the precise extent of advance.

1327. Had you not to ascertain for the board what the state of those accounts were?—They were laid before the board themselves weekly.

1328. Sir *J. Graham.*] Were you successful in checking the management of the branch at Leeds?—I did all I could; we gave personal instructions and written instructions to our manager, but he did not carry them out.

1329. Were you successful in controlling the branch at Nottingham?—We did our best to do so, but were not successful.

1330. Mr. *Smith.*] Did you pass the bills for discount for the customers?—No.

1331. *Chairman.*] You stated that you had cognizance of the accounts that were opened; will you inform the Committee whether, with respect to the accounts that were opened at Manchester, on which advances exceeding 2,000 *l.* were made, those advances were not made in a great majority of instances to the shareholders of the bank themselves?—A great many of the shareholders are customers of the bank, certainly; I cannot say the majority.

1332. Supposing there were at Manchester, at the time of the inspection by the Bank of England directors, 52 accounts to the amount of 2,000 *l.* and upwards, do you consider that it is a fair representation that about 35 of those accounts were to shareholders of the bank?—I think it would be.

1333. And that of 29 principal accounts at Liverpool, 21 were opened with shareholders of the bank?—I think it would be very likely.

1334. When the private ledger was first called for by the Bank of England, had any statement been made to the Bank of England of the amount which appeared due upon the private ledger?—I cannot say; that is the accountant's department, not mine.

1335. Was any entry made in the public minute book which made you cognizant of the transactions in shares represented by those entries in the private ledger?—None.

1336—1338. * * * * * * * * * *

1339. *Chairman.*] Supposing the Bank of England had not made the advance of 500,000 *l.*, would it not have been an inevitable consequence of their refusal that the Northern and Central Bank must have stopped?—No, I think not at all.

1340. Sir *J. Wrottesley.*] Had you made any applications on behalf of the Northern and Central Bank on the 28th of November, before you applied to the Bank of England?—Yes.

1341. To whom?—To the usual sources, the bankers and brokers, and they declined complying, and they recommended an application to the Bank of England in the then state of the money market.

1342—1405. * * * * * * * * * *

Mr. *Benjamin Braidley*, called in; and Examined.

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1406. *Chairman.*] WHAT is your office in the Northern and Central Bank?—I am one of the directors of the bank.

1407. How long have you been one of the directors?—Not quite from its first establishment, but within a short time of the period it was established; I was the eighth director. There are now 10.

1408. Had you been residing in Manchester long previously?—I had.

1409. Had you been connected with banking affairs previously to your appointment?—Never in my life.

1410. You were in London at the time of the application made to the Bank of England in November last?—I was.

1411. How long had you been in London before the arrival of Mr. Evans upon that occasion?—I think about a fortnight, to the best of my recollection.

1412. Where were you residing in London?—At the St. Paul's coffee-house.

1413. What had brought you up to London upon that occasion?—Mr. Lyle, our accountant, was sent to London with a view of assisting Mr. Cassels to make some different arrangements in the mode of keeping the branch accounts, so that they might be kept in London rather than at the head office. He, being very deaf, had applied to some medical man in the hope of receiving some benefit from his advice. The contrary turned out, and he was taken ill; and as it was thought at the moment that Mr. Cassels would have a very considerable pressure of business, I was requested to go to London to see if I could be of any service to him.

1414. Was there any other object besides the settlement of the branch accounts?—That was the more particular object. The intimation held out to me was this, that, as it was a busy time, and great pressure existed in the money market, Mr. Cassels' mind might be burdened with a considerable pressure of business, and it was principally with the view of assisting him that I was requested to come up to London.

1415. Was it with the view to the mere matter of detail of the arrangement of the branches, or was there any peculiarity in the affairs of the Northern and Central Bank which made it necessary that you should come up to town?—It was not with a view of attending to matters of detail, but chiefly with the view of aiding Mr. Cassels with such advice as I might be able to give, in the then pressure of the money market.

1416. When did that pressure commence?—I cannot exactly speak to that, as I had been for the last half-year frequently from home attending to business; but I believe the pressure was felt about September.

1417. At what period did you go up to town?—About the middle of November.

1418. Was there any connexion between your mission to London and the pressure thus felt upon the Northern and Central Bank?—In no other way than that the pressure existing upon all banks led the directors to take the most precautionary measures they could; and it was not with any expectation of being driven to the extreme case that we found ourselves eventually in, that I was sent up, certainly.

1419. How did the pressure show itself in the affairs of the Northern and Central Bank?—When I came to London, I found the pressure in this way: we had been accustomed to receive discounts from the hands of the brokers, and we found that, in consequence of the scarcity of money, the amount thus supplied was considerably short of what our usual supplies had been, and which the demands of the time rendered necessary; therefore there was a difficulty in our obtaining those supplies in cash which we had been in the habit of receiving, and this created the necessity of writing to the head office and the branches that their supplies should be made in cash.

1420. You felt that before you left Manchester?—Yes, we received intimation from Mr. Cassels before I left Manchester.

1421. Then that information was before the directors at the time you were commissioned to go to London?—I should think it must have been; I had been from home, and I had arrived only about a fortnight before I left home again.

1422. Was that made a subject of consultation between you and Mr. Cassels when you arrived in London?—Yes.

1423. Was it also a subject of your correspondence with your brother directors at Manchester?—Yes, it was.

1424. Did that occupy your time in the interval between your arrival and the arrival of Mr. Evans?—Yes, it did.

1425. Was it in consequence of that pressure that Mr. Evans was despatched with a remittance on the 28th of November?—I believe so; I had no idea that he would be despatched with any remittance; but perceiving the pressure of the money market, and knowing that the 4th of December was expected to be a heavy day for payment, I wrote to the directors, and stated that it would be necessary to send as good a supply of bills and cash as possible; but I did not know that Mr. Evans would be sent up with any supply, nor what the amount of it would be.

1426. Did you receive any advice from the board of directors at Manchester that so large a sum as 108,000 *l.* was about to be sent up?—No, I did not.

1427. Then it was unexpected by you?—Totally unexpected; so much so, that I was rather surprised at the amount when Mr. Evans came, in consequence of a large remittance having been previously sent (the day before Mr. Evans arrived, which was on the Tuesday morning,) and a large remittance had been sent to the London and Westminster Bank upon the Monday morning, as well as other remittances to Mr. Cassels.

1428. Were any directions sent up by Mr. Evans with respect to the mode in which he was to deal with those bills?—That I do not know; I cannot tell what instructions were given to him.

1429. Did you not ask upon his arrival what he was to do with those bills?—I do not know that I asked him the question; but it came out in the course of conversation, that it was in consequence of the urgent manner in which I had written for a supply of money that he had come up.

1430. What was to be done with them?—To discount them if possible; and I understood that one of the directors of the London and Westminster Bank had been in Manchester a short time previously, and that there was some understanding between the directors and this gentleman that a further supply of money would be advanced to us in the course of the time previous to the 31st of December, and I believe it was with reference more particularly to the obtaining that immediate supply that Mr. Evans brought up those bills.

1431. Then you think that that supply of 108,000 *l.* was sent for the purpose of obtaining an additional advance from the London and Westminster Bank?—I should not say entirely from the London and Westminster Bank; it was sent with a view of obtaining discounts anywhere, where they might be had.

1432. The Committee are already aware that an accident happened by which these bills were lost: supposing they had not been lost, what use should you have made of those bills?—I should, first of all, from the understanding that I had from Mr. Evans, that such a communication had taken place between the directors at home and one of the directors of the London and Westminster Bank, have applied to them for the supply of cash which I thus understood had been promised; and in the next place, I should have endeavoured to place as many of the bills in the hands of the bill brokers, as they were disposed to take.

1433. Then did you consider that the 108,000*l.* was a sufficient supply of bills and securities to enable you to meet the engagements of the Northern and Central Bank at that period?—Certainly; together with the bills on hand, with the remittances made in the previous part of the week, and the remittances we were in the daily habit of receiving, both from the head office and the branches.

1434. Can you name the director of the London and Westminster Bank, be-

 tween

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tween whom and yourselves the communication to which you have alluded took place?—I believe it was Mr. Holford.

1435. Mr. *Clay.*] Had you found any difficulty in getting bills discounted previously to the day when the parcel was lost?—Yes, we had found difficulty, which I presume most banks, which are in the habit of discounting, had found at that time.

1436. Mr. *J. A. Smith.*] You do not conceive that the Northern and Central Bank was in any discredit previous to that?—I have no knowledge of anything of the kind.

1437. Mr. *Clay.*] In point of fact, were bills bearing the indorsement of the Northern and Central Bank, refused to be discounted by any parties to whom you applied?—Nowhere but at the Bank of England.

1438. Mr. *J. A. Smith.*] You had received no refusals from the brokers previos to that date?—Never, on the ground of the indorsement being our indorsement; the only refusals we received were from the scarcity of the supplies of money in their own hands.

1439. Mr. *Clay.*] Had you, in point of fact, received any refusal from any parties to whom you had presented bills for discount?—We had received refusals on account of the shortness of the supplies of cash.

1440. Sir *J. Graham.*] When did you first see the Report of this Committee, which was published last year?—I never saw it till I went down from London in November.

1441. Had it been published and circulated in Manchester before you came up to London on this occasion?—I believe it was.

1442. Do you remember the date when it was first published?—I do not know the date.

1443. Had that publication any perceptible effect upon the credit of the Northern and Central Bank?—I have been told since that it had, but I was not aware of it at the time.

1444. Mr. *J. A. Smith.*] What induced you to make an application to the Bank of England upon the 28th of November?—The loss of the parcel having become known, induced many people to talk of the largeness of the amount thus lost; and induced them, as I suppose, to make other remarks in reference to the credit of the Northern and Central Bank; and it occurred to me that these would have a very serious effect upon our endeavours to raise money, and that, if published in the newspapers, a run might be created upon our branches in the country. It was in consequence of an intimation that I received from Mr. Allcard, of the house of Gurney & Co., that I was induced to apply to the Bank of England.

1445. Did you, during that day, after the loss of the parcel, make application to the usual sources for relief?—I dare say Mr. Cassels did; but I was so much occupied in endeavours to find the parcel, that I do not recollect the circumstance.

1446. When did you first apply to the Bank of England?—On the afternoon of the day upon which the parcel was lost, about five o'clock.

1447. Will you state what passed upon your application?—Mr. Evans and myself went to the Bank of England, attended by Mr. Barnett, of the firm of Barnett, Hoare & Co., and we saw the Governor and the Deputy-governor, and Mr. Horsley Palmer; and I stated the reasons why I made the application:—That it was in consequence of an intimation that the Bank would not refuse assistance under those extraordinary circumstances; that it was quite as much or more with a view to the public good as for the benefit of our own bank, for that it occurred to me that if the information of our lost parcel got into the newspapers, and there was a run upon 40 banks in different parts of the country, the consequences would be so serious that the evil would not rest with us, but extend to others, and eventually to the Bank of England itself; and thus a national calamity might be brought on, which I was desirous to avert, even at the expense of making some sacrifice in regard to my own views as to the plans upon which our bank was conducted.

1448. What answer was given to the application?—The Governor and Deputy-governor stated that any advance to the bank must be in the shape of loan, and that they would require certain conditions before they could make any advance at all.

1449. What

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1449. What were those conditions?—They required the giving up of our branches.

1450. Sir *J. Graham.*] You urged the number of your branches as a reason to the Bank for making you the advance, because a run upon so many branches would be attended with a great shock to credit?—I did.

1451. Mr. *Smith.*] What amount did you apply for?—I applied for 100,000 *l.* I thought that that sum was enough, because I could not possibly foresee what the reports in the newspapers might be, and what the effect of those reports might be; and I considered that an advance of 100,000 *l.*, with the daily supplies we were receiving, would be sufficient for any temporary distress that we might feel for want of money.

1452. Did the Bank of England ask you any questions as to your liabilities and wants?—Yes, they did.

1453. What answer did you give to them?—I gave an answer, to the best of my knowledge, from a rough sketch which had been sent up to me, and one portion of those particulars turned out to be incorrect, which I was not aware of at the time.

1454. Was there not a weekly statement of the whole affairs of the bank laid before the weekly meeting of directors?—There was.

1455. Was a copy of that sent up to you previously?—No, there was not.

1456. Was an extract from it sent up to you?—No; it was a sort of rough sketch or summary, but not at all like the weekly accounts which we had laid before us.

1457. Mr. *O'Connell.*] But the manager was with you?—He was.

1458. And had just come up from the bank?—Yes, he had.

1459. Mr. *Smith.*] Did you apply to him for information as to the correctness of the statement you made to the Bank of England?—No, I did not.

1460. Can you recollect what your statement was?—I can recollect the incorrect portion of it.

1461. Cannot you recollect the whole of it?—It was a statement of the assets and the liabilities. The assets were stated in this shape,—balances of accounts current due to the bank, 900,000 *l.* and odd. Now this was the balance of the balances, if I may so call it. Our current accounts are some of them in the shape of credit balances, that is, balances to the credit of the parties; and others are debit balances; and it seems that the balances to the credit of certain parties were deducted from the other balances, and the nett amount handed to me. That I knew nothing of at the time.

1462. Are you sure that there was one word passed with regard to those overdrawn accounts on the first application made by you to the Bank of England?—Yes. The Bank asked the amount of our liabilities and assets, and in giving the liabilities, I mentioned that item.

1463. Mr. *O'Connell.*] The manager being present, was not it natural that you should refer to him?—I might have done so, but I stated it from the best of my recollection. I was not aware that he came up with any statement.

1464. Mr. *Smith.*] Will you proceed with the statement you made of the state of the bank at that time; first of all the assets?—The debts due, nine hundred and odd thousand pounds; the cash in hand I think I stated at 180,000 *l.*, or thereabouts.

1465. Was that with bills or cash only?—That was cash on hand at the head office and branches; the amount of bills at the head office and branches I think I stated at 460,000 *l.* or 480,000 *l.* The amount of bills in the hands of the London bankers, 230,000 *l.* or 240,000 *l.* The amount of monies due from brokers at I think 80,000 *l.* or 90,000 *l.* upon bills which had been placed in their hands, and cash due for those bills which had not been received.

1466. Then on the other hand?—Then on the other side there were deposits 230.000 *l*, or 240,000 *l.*; the circulation about 300,000 *l.*; drafts upon London bankers, and on Mr. Cassels, 400,000 *l.* and odd.

1467. What were those?—Bills drawn for the accommodation of our customers at certain dates, agreeable to themselves, for the purpose of being paid away in their own commercial transactions.

1468. Are you sure that you entered into those full particulars with the Bank of England at your first application for assistance?—Yes.

1469. *Chairman.*] Did the Bank ask this information of you?—Yes, they did.

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1470. When you made that statement, did Mr. Evans express any difference of opinion with respect to your statement?—No; I do not know that he spoke at all upon the subject. After having laid those particulars before the Bank of England, and urged them as arguments why I should ask for 100,000 *l.* in the shape of a loan, I then said that if 200,000 *l.* would be more agreeable to them, we should have no objection to apply for that. They still said that they did not think it enough; that we were liable, according to what I had stated, to have 300,000 *l.* suddenly called for, in the shape of circulation, and 200,000 *l.* in the shape of deposits, and therefore it was possible that we might want 500,000 *l.* I stated that my own impression was that 100,000 *l.* or 200,000 *l.* would be sufficient, but that if it was more agreeable to them, we would ask at once for 500,000 *l.*

1471. Was that arrangement made upon the first interview?—No, upon the second interview.

1472. The second interview was upon the following day?—Yes.

1473. Was that after the recovery of the 108,000 *l.*?—Yes.

1474. Having stated that 100,000 *l.* or 200,000 *l.* would have been adequate at the period when you lost those bills, how much did you ask for on the following day?—In consequence of what had passed on the preceding evening, the Bank of England seeming to think that 500,000 *l.* might be required, and not being willing to take the matter in hand unless they did it effectually, I asked at once for 500,000 *l.*, although we had found the parcel; because, although we had found the parcel, the effect of the knowledge of its loss might create as great a demand as if we had not found it.

1475. Mr. *Smith.*] On the second morning, when you saw the Bank of England directors, did you sign any letter making a written application for assistance?—Yes; I think on the second day the form of a letter was handed to me by Mr. Freshfield, and that form I believe I signed.

1476. Did you read it?—I did not read it, but I had it read to me.

1477. But you are perfectly cognizant of the contents of it?—Yes.

1478. Did you object to it?—No.

1479. *Chairman.*] Did Mr. Evans object to it?—No.

1480. Subsequently to your having signed it, did Mr. Evans ever express to you any regret at having signed that letter, or any disapproval of the allegations which it contained?—I do not remember it.

1481. Did you ever express any disapproval of it to Mr. Evans?—No, I do not know that I did.

1482. Mr. *Smith.*] The letter is as follows:—It is dated

"Sir, London, November 29th, 1836.

"In consequence of the urgent necessities of the Northern and Central Bank, and under the severe pressure they now experience, we beg on behalf of that establishment to apply to the Governor and Company of the Bank of England for an advance to sustain the current engagements of the Northern and Central Bank. We are desirous of receiving immediately the loan of 100,000 *l.*, upon the discount of paper now submitted, and we request the aid of the Bank for a further sum not exceeding 400,000 *l.* beyond the above 100,000 *l.* to be advanced to us as may be found necessary.

We are, Sir, your most obedient servants,

"To the Governor of the Bank of England." *Benj. Braidley*, Director. *Thos. Evans*, Manager.

Is that the letter?—I believe that to be the letter.

1483. Have you any doubt about it?—No, I have no doubt whatever.

1484. *Chairman.*] Was the advance made upon the footing of that letter?—100,000 *l.* was advanced upon the signing of that letter.

1485. Were there any further difficulties thrown by the Bank of England in the way of making that advance, or had you any difficulties connected with any of your customers which delayed the advance?—On the Wednesday we found a great deal of difficulty in persuading the London and Westminster Bank to accede to that part of what the Bank of England required, viz. that their debt should stand over till the amount of the Bank of England's loan was repaid; and the arrangement had nearly fallen through in consequence of that, but they eventually agreed to it.

1486. Will you explain what were the difficulties so created by the London and

and Westminster Bank?—The Bank of England required the London and Westminster Bank to give in a letter approving of the arrangement, and agreeing to that part of it which specified that the Bank of England should be repaid before the London bankers; and in the first instance the London and Westminster Bank refused to do that.

1487. Then the agreement was not carried into full effect till the following morning?—I think not until the Thursday. The Bank of England, on the Wednesday evening, upon the faith of our agreeing to sign this document, sent down an order to their branches at Manchester and at Liverpool, for 50,000 *l.* at each place to be paid to us on application.

1488. Mr. *J. A. Smith.*] The Northern and Central Bank received an advance of 500,000 *l.* in consequence of that arrangement upon the 29th of November?—It did.

1489. Will you state what occurred subsequently between the Bank of England and the Northern and Central Bank?—One part of our agreement with the Bank was that we should send them up a correct statement, instead of the verbal one which I gave them at the time, and which I stated was only from the best of my recollection. It was a part of our engagement to send up a correct statement, such as was in the habit of being laid before our weekly board. That was sent up in about 10 days, and the Bank found that instead of the overdrawn accounts being 900,000 *l.*, they were 1,300,000 *l.*, and that the deposit accounts, instead of being 220,000 *l.* or 230,000 *l.*, were 670,000 *l.* or 700,000 *l.* or more.

1490. What was the difference between the first and second statement as to the amount of the deposits?—I think it would be 500,000 *l.* or 600,000 *l.* I believe the first statement I gave of the deposits was about 240,000 *l.* or 260,000 *l.*, and I think when a correct statement was sent up, it would be about 800,000 *l.*

1491. Were you astonished at finding that vast difference in the deposits?—I was. When I first saw the statements, I said, "How is this? I stated to the Bank only so and so." I then received the explanation, which I subsequently gave the Bank of England, viz. that in the rough statement sent to me, that portion of the deposit account which we called credit balances had been separated from the amount of the balances which our customers owed to us upon credit accounts.

1492. Were not the sums which you were most in the daily liability of having called for, those sums to the credit of your cash account?—We were most liable to be called in the first instance for our circulation, and in the next instance for that portion of our accounts which we called deposit accounts, that is, monies lent to us at a low rate of interest, but by parties who did not keep current accounts.

1493. Could that be called up without notice?—Generally speaking, I believe the manager has always required that a notice shall be given if the sum is large.

1494. You are entitled to ask for notice?—Yes.

1495. But you are not entitled to ask for notice for cash balances?—We have a stronger hold upon them than upon the other; because, as those credit balances are balances of parties from whom we have received bills drawn by themselves upon their customers, we have the option of saying, "As soon as your bills are paid off, we will pay you the balance; but in the meantime we will keep the balance to set off against any debt you may have upon the other side."

1496. Do you mean to say that, after discounting for one of your customers, and placing the bills to his credit, you are able to say to the man "We will not pay your debts"?—Strictly speaking, those bills are not discounted when they are paid in. We have the option, as soon as money is paid in, to say, "Now I will hold this against your debts which are running." There is seldom or never such a stipulation made as that "I shall want this cash directly;" but the money is paid upon the supposition that it will be placed to account.

1497. Do you place both bills and cash to the credit of the account as cash, and make up the interest account at the end of the year?—Yes; at the end of the year or half year. I think that the mode in which those entries are made is this; that the cash is placed in a separate sum by itself, and the bills in another separate sum by themselves; and that the particulars of those bills

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are put into the ledger account of the parties, and the interest calculated from the time when they become due.

1498. Are the Committee to understand that the deposit accounts have no transactions entered in them but such as relate to the mere deposit of money?—The deposit accounts are the accounts of those persons that deposit and do not carry on business, but place cash in our hands, for which we have been in the habit of allowing 2½ or 3 per cent. interest.

1499. Were you in the habit of giving deposit receipts for those monies?—I believe so.

1500. Did you ever see one?—I do not know that I ever did.

1501. Did you ever hear of one?—Yes, I have.

1502. In the Northern and Central Bank?—Yes, I have heard of them repeatedly.

1503. Were not the conditions that you made with your customers on opening an account with the bank, that the fact of its being either a deposit account or a cash credit account was to be reserved for your own decision at the close of the year or at the closing of the account?—I do not know that that was ever intimated to any customer; but there is an understanding among all the bankers in Manchester, I believe, that they have the option of treating a deposit account either as a deposit account or a current credit account, whichever they may think most to their own advantage.

1504. And you considered yourselves possessed of that option?—Yes; I do not know that we ever used it, because we generally knew what sort of an account was opened.

1505. But you considered yourselves as possessed of that right?—Yes, I considered so.

1506. Therefore no account could be considered either a deposit account or a cash credit account till it was closed?—Practically, it was considered a deposit account or a credit account at the time it was entered into.

1507. Therefore you still now, upon a review of the circumstances of the case, consider that you were less liable to be called upon for the cash credits than you were upon the deposit accounts, although in the one case you were entitled to notice, and in the other to none?—Certainly; because those accounts belong to parties to whom we were in the habit of granting favours as bankers.

1508. But still, in the ordinary course of business, in the one case you were entitled to notice of the withdrawal, and in the other not?—In the one case, we were entitled to notice of withdrawal, but in the other we had the option of refusing to give the money if applied for.

1509. Did you ever refuse to give an advance of money?—I believe, never.

1510. Would it not ruin the credit of a bank if they were to refuse?—I believe it would be injurious to the credit of any bank to do so unless there were some peculiar circumstances, such as that they had some bills of the party that were not likely to be paid.

1511. They could not do it except under circumstances of peculiar discredit affecting the individual?—Certainly not; it would not be handsome to do so.

1512. *Chairman.*] Do you consider, that if one of your customers had 5,000 *l.* to his credit, and you had 10,000 *l.* securities of his not come to maturity, that you could legally refuse paying his drafts on his account, in consideration of the bills of his which you had?—I am not aware how the law stands, but my impression is that we could do so.

1513. Mr. *J. A. Smith.*] Will you state what took place with regard to the second statement made to the Bank of England?—In consequence of the corrected statement being sent up, the Bank finding that statement to be different from the verbal one which I gave, requested that Mr. Evans and Mr. Lyle (the accountant), and myself would come up to London to explain it.

1514. Have you a copy of that second statement?—No, I have not.

1515. Could you give the Committee one?—I did not bring any statement with me. It was a weekly statement sent up by the bank.

1516. Was that of the same nature and made in the same form precisely as the weekly statements always submitted to the board of directors?—I believe it was.

1517. What did the Bank of England state upon the receipt of that?—The Bank

Bank of England stated, on our calling upon them according to the request they had made by letter, that they were disappointed in the statement, inasmuch as it differed so materially in the amount of deposits; and that instead of 230,000*l.* or 240,000*l.*, we might be called upon for 800,000*l.*, and therefore, on that account, the loan was not likely to be sufficient for the purpose of the bank.

1518. Has not that been practically found a correct opinion?—From circumstances which have turned out since, it has been found to be practically a correct opinion.

1519. *Chairman.*] You have stated the point in which the second statement differed from the first, in respect of deposits and in respect of overdrawn accounts; you have also stated, that in the first communication made to the Bank of England, you took credit for the sum of 180,000*l.* of cash. Was there any difference between the first and the second statements, in respect of the amount of cash?—Yes, there was; the difference was about 90,000*l.*

1520. Which was the largest return?—The largest return was the verbal return which I made; the other was about 90,000*l.* less. But I ought to say, that my statement being carried up to the end of the week which was a fortnight prior in date, the amount of difference had been paid away in the different branches in the meantime.

1521. Did you explain to the Bank of England, at the time you made that statement, that it bore reference, not to the existing state of the Bank, but to a period anterior?—I am quite sure that I told the Bank of England that any statement which I could give them was one that I received several days before, and which of course would vary every week.

1522. How many days before had you received it?—I think it would be up to the Saturday night week previous; that would be about ten days before.

1523. Was there at that interview between you and the Bank of England, when you and Mr. Evans on the one side, met the Governor and Deputy-governor and Mr. Horsley Palmer, on the other, any suggestion of an advance to the extent of a much larger sum than the 500,000*l.*, say to the extent of a million?—Yes, it was used as an argument, and I think principally by Mr. Horsley Palmer, that the idea of 100,000*l.* or 200,000*l.* was what the Bank would not entertain, because if the Bank interfered at all, it would interfere effectually. They threw out the idea, that they should feel it their duty, if they entered into an engagement with us, to give us whatever we might want; if we wanted a million, or even a million and a half, if they once took us by the hand. That was mere conversation.

1524. It was not a statement made by the Bank of England of their readiness to advance you to the extent of a million?—No; I understood it to be used as an argument why we should be induced to ask for more than 100,000*l.* or 200,000*l.*; because if the Bank interfered at all, it would be with a view of assisting us with whatever we might want; the sum of a million did not enter into my calculations or into the calculations of the other parties, but it was a strong way of putting the argument.

1525. Then you did not consider it as a declaration on the part of the Bank of England, of their readiness to advance to the extent of a million or a million and a half?—Yes, I considered it so, in case of need.

1526. Sir *James Graham.*] Who said this to you?—I believe it was Mr. Palmer.

1527. That if they made any advance to you, they would be prepared to go to the full extent of what sum?—Anything we might want; but I had already given them to believe, from the statement I had made, that our immediate liabilities could not go beyond 500,000*l.*; but this proviso was not put in by Mr. Palmer, and I considered that the Bank was willing to advance us any sum that we might ask for.

1528. That was after the publication of the evidence taken before this Committee?—It was.

1529. Mr. *J. A. Smith.*] Was not it urged, as an objection against making you any advance at all, that a larger advance than that which you stated you should require might ultimately be found necessary, and that the Bank of England would have to make a further advance?—I do not recollect any such objection being made.

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1530. You do not recollect any discussion upon that point?—Nothing of the kind; I was rather led to suppose otherwise.

1531. That they wished to make the advance?—That they wished to make the advance.

1532. Will you state what followed after the delivery of the second statement to the Bank of England?—In consequence of their requiring those explanations which we gave, and in consequence of its appearing likely that we should want more money, the Bank required a fresh arrangement to be entered into, viz. that we should instantly close our business, and wind up our concerns, and confine ourselves to the payment of their debt before we paid the London bankers or any other parties, except those who held our notes or to whom we owed money in the shape of deposits; that they would agree to pay all our acceptances, all our liabilities, every thing except what we were indebted to our London bankers, upon the condition that we would wind up our affairs. In the first place they required us to dissolve our concern altogether. We took an objection that we, as individual directors, had no right to agree to any such condition, as it was contrary to our deed of settlement; and then they subsequently modified that stipulation.

1533. *Chairman.*] In the event of the Bank of England having refused the assistance, did not you individually state that your carriage was prepared to return to Manchester, in order to close the Northern and Central Bank?—That was upon the occasion of the second communication with the Bank of England.

1534. Will you state at what period that communication took place?—I made that communication in the evening; and the communication was this,—that unless we could come to an arrangement with the Bank of England, I intended the next morning to have a carriage prepared so as to be ready to start to Manchester in the event of our finding that all further negociation should turn out to be useless; but that we intended to try the next day both with the Bank of England and with the London and Westminster Bank, to see if we could not make some arrangement; and that in the event of our not succeeding, we should have a carriage ready to take us down to Manchester.

1535. With what purpose?—To stop the proceedings at our head office instantly, and to stop all our branches; because we foresaw, from the publicity which would take place, that it was impossible we could weather the storm, and that it would be giving an undue preference to some customers if we continued to carry on our business.

1536. Was not that communication made upon the evening of the 29th, just at the moment when the London and Westminster Bank showed an indisposition to allow a preference to be given to the advance of the Bank of England?—Not on the 29th of November. It was on the 23d of December: that was at the second interview with the Bank of England.

1537. Mr. *Smith.*] Is there any distinction in the books of the company between deposit accounts and cash credit?—In the keeping of the accounts there is certainly. The books show the difference in this way, that the deposit accounts are at a lower rate of interest; and in the current accounts the interest is given and taken at the same rate on both sides, and at a higher rate than upon the deposit accounts.

1538. Do you charge any interest upon the deposit accounts?—We do not; we give a lower rate of interest. The difference between the amount of interest we receive from the party who borrows the money, and the amount we give the party who lends the money, is our profit.

1539. At the conclusion of the second arrangement with the Bank of England, what was done?—We endeavoured to carry out the second agreement.

1540. You made an agreement with the Bank of England, and you then returned to Manchester?—We did; we returned to Manchester on the evening of the day on which we completed our arrangement with the Bank of England; I think it was on the 23d of December, in the evening.

1541. Was there a special board summoned to confirm the agreement with the Bank of England?—There was.

1542. Were you present at it?—I believe I was.

1543. And your agreement with the Bank of England was confirmed?—It was.

1544. Did the Bank of England send down two of their directors and their solicitor,

solicitor, to look into the affairs of the bank?—They did; I think they arrived in Manchester on the Monday morning; we had arrived on the Saturday evening previous.

1545. Do you recollect what dates those were?—We arrived on the evening of the 24th, and they presented themselves at the bank on the morning of the 26th.

1546. On what day was the agreement with the Bank of England confirmed?—It bears date the 22d, but it was actually confirmed on the 23d.

1547. When was it confirmed in Manchester by the board of directors?—I believe on the 26th, but I am not sure of that.

1548. What did the Bank of England directors do when they came to Manchester, upon their first arrival?—They looked over the different books and documents, and asked for the different accounts, and proceeded in what I suppose they considered to be the business committed to their care.

1549. They made a general examination into the affairs of the Northern and Central Bank?—They did.

1550. Was there a statement of the affairs of the bank submitted to them?—There was the usual weekly statement submitted to them.

1551. Do you recollect the dates of those statements submitted to them?—I do not.

1552. Was there not a weekly statement of the affairs of the Northern and Central Bank submitted to the Bank of England directors, made up to the 10th of December, and another made up to the 17th of December?—I believe there was.

1553. Do you recollect any discrepancy between those two accounts?—There was a discrepancy in the amount of several of the items.

1554. Of what nature?—That I do not remember; I did not enter into the accounts particularly; Mr. Moult entered into them more particularly than I did.

1555. You have no recollection of a large decrease in the amount of your bills in hand, due between the 10th and 17th of December, to the amount of 209,000*l.*?—I believe there was a large discrepancy.

1556. Do you recollect a large increase in the amount of overdrawn accounts, to the amount of 102,000*l.*?—I believe there was.

1557. Did they demand any explanation of that large difference?—They did; and explanations were given to them by the accountant, by the manager, and by Mr. Moult. I did not enter into any explanation with them myself.

1558. Do you know what explanation was given?—I do not.

1559. Are you aware that one way of accounting for the large increase in the overdrawn accounts was, that the sum of 69,000*l.* in the private ledger was deducted from the amount of overdrawn accounts?—I think that was one of the items.

1560. Do not you know that it was?—I do not know the amount, but I know there was a large entry.

1561. And that large entry was in the private ledger?—Yes.

1562. Do you know that they called for an inspection of the private ledger?—They did.

1563. Was it given to them?—I believe it was.

1564. Are you aware that a sight of it was refused?—It was refused by Mr. Moult, I understand, upon this ground; that, not having any other director present, he did not like to take upon himself the responsibility of showing that book.

1565. Did he send for the solicitor of the company and take legal advice with the solicitor, and, in company with the solicitor, refuse them the inspection of the private ledger?—That I cannot speak to; I was not present, but I believe it was so; I have heard of it.

1566. Do you know that a statement was laid before the Bank of England directors by Mr. Moult, purporting to be the balance sheet or a copy of that private ledger?—I do not know it; he might have done so.

1567. You never heard it?—I never heard it, but it is possible it might be so.

1568. Do you know anything about the amount represented to be due by the directors in the private ledger?—I do not; I have never seen it.

1569. Do you know that that amount was erroneous as compared with the

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private ledger, to the extent of 90,000*l.*?—The directors of the Bank of England stated so; I believe it was so.

1570. Are not you now aware that the statement of the 17th of December, submitted to the directors of the Bank of England, was deficient in the sum of 69,000*l.*, which had been withdrawn, as appearing in the private ledger?—The amount I do not know, but I know there was a deficiency, and I suppose that amount is correct.

1571. You know that that statement, which purported to be a statement of the affairs of the Northern and Central Bank, was erroneous, inasmuch as it excluded a large balance in the private ledger?—I believe it turned out to be so.

1572. Do you know that when a copy of the private ledger was tendered by the Northern and Central Bank to the Bank of England directors, the sums due in that private ledger were stated at 90,000*l.* less than was really due in the private ledger?—I do not know that the copy was given, and if it was given, I do not know what it contained.

1573. Will you explain what occurred with regard to the alteration of the entry in the private ledger with reference to the promissory notes of the directors?—There was a certain sum which was entered as bills, those notes having been agreed to be signed by the directors at long dates, to be placed to the credit of their accounts in the shape of discounts; but, in consequence of the difficulties which we had met with in London with the London and Westminster Bank, before we could prevail upon them to accede to the terms of the second agreement with the Bank of England, Mr. Moult and myself, and Mr. Stell, were obliged to enter into large personal liabilities and responsibilities, independent of the bank. I myself, when I went home, made the objection that I would not sign that bill until some of the shareholders individually, or some other persons, had released me from a considerable portion of this personal responsibility.

1574. What was this personal responsibility?—We were obliged to satisfy the London and Westminster Bank by giving them that sort of security individually which we could not give them on the part of the bank, in consequence of our agreement with the Bank of England.

1575. Therefore when you went to Manchester you refused to accede to the proposition of the other directors that you should give those notes of hand?—Yes, for this reason, that I was already liable to the bank personally, much beyond all the debts that I owed to the bank.

1576. How much did you owe to the bank?—Upon my business account, 4,500*l.*, and for shares allotted to me, I think 20,000*l.* more.

1577. Was not it 30,000*l.*?—No. The Bank of England made it 30,000*l.* by adding a 5,000*l.* bill that I had given, and which had been discounted.

1578. Independently of your public account, you owed them 20,000*l.* upon your private account?—Yes.

1579. Where did that appear?—In the private ledger, I suppose.

1580. How much was your public account debtor?—4,500*l.* or 4,700*l.*

1581. Was it not 6,500*l.*?—No.

1582. Do you include in that the amount due by your firm as well as yourself?—That was all the business of my firm.

1583. Did not you owe anything on your private account besides?—I do not know whether any part of my private account was kept in the public ledger.

1584. You never looked at it?—No.

1585. You would be surprised to know that you owed 1,918*l.* on your private account, independent of the 4,700*l.* on your business account?—I was not aware that any portion of my private account was in the public ledger, but if it is so I have no doubt it is correct.

1586. You never had any access to the private ledger?—I might have had, if I had thought proper.

1587. *Chairman.*] Did you know of its existence?—I have no doubt I did, though I never heard it talked about till after its investigation by the Bank of England directors.

1588. In the transactions of the bank which came before you as a director, were there not references in the accounts to balances brought from the private ledger?—I do not remember that there were.

1589. When

1589. When did you first hear of the private ledger?—I first heard of it, to my distinct recollection, after the Bank of England directors came to Manchester; but I have no doubt that I knew of it before; but nothing occurs to my mind respecting it.

1590. Did you not know that there was a considerable sum advanced on your behalf, which must be charged against you for shares?—Yes.

1591. Had it never occurred to you that there must be, somewhere or other in the bank, an entry of that transaction?—No question of it.

1592. Did it never occur to you to inquire where it might be?—I do not know that the thought ever crossed my mind; but if I had been asked, I should have said, in all probability, it is kept in the ledger by itself.

1593. Did you never ask to see it?—I never did; I took for granted that it was regularly kept.

1594. Then you have never seen it yet?—I have never seen it.

[*The Private Ledger produced by Mr. Lyle was shown to the Witness.*]

1595. Is that book marked "private ledger?"—It is.

1596. In whose handwriting is that book kept?—I believe it is Mr. Lyle's.

1597. What does that account purport to be?—It purports to be a stock account with Benjamin Braidley.

1598. Is that your account?—That is my account, but I never saw it before.

1599. When the attention of the Bank of England directors was called to this private ledger, and the discrepancy between the account furnished to them and the contents of that ledger were brought under their notice, did you never ask to see that private ledger, in order to verify the accounts?—I did not, for several reasons; first of all, that Mr. Moult was the gentleman that gave them all the explanation they required; and in the next place, we had something else to do in attending to the disposal of our branches; and another reason why I did not ask for it was, that I had no doubt it was correct.

1600. Had you no motive to know how your own account stood?—I knew that, from a memorandum that had been given to me before; I knew the amount, at least I had an idea of the amount. I wish it to be understood that I merely state the facts of the case; but I might have seen it as often as I wished.

1601. Do you recollect any conversation that occurred between you and the directors of the Bank of England, with respect to a list of the overdrawn accounts; did they ask to see a list of the overdrawn accounts?—Yes, I recollect that.

1602. Do you recollect what your answer was?—I do not; I think it was, that I did not see any objection to it.

1603. Did you state, in reference to yourself, that you did not consider it discreditable to you to have had 6,500*l.* upon your account, against 1,000 shares in the company?—I do not recollect the conversation at all; it might be so, but I have no recollection of it.

1604. Mr. *Smith.*] You have no recollection of giving them to understand that you only owed 6,500*l.*?—None whatever; I never intended them to understand anything of the kind. If they were asking me about my business account, that is the answer I might have given them.

1605. Was there not a conversation in London upon the inspection of the overdrawn accounts?—No, I think not; I do not recollect anything upon the subject then; if anybody was to ask me for a list of the overdrawn accounts, I should take it for granted that they meant the business accounts.

1606. Then if that question had been put to you, your answer, according to that supposition, would have been 6,500*l.*?—If that had been the amount of the business account.

1607. Whilst, in point of fact, what was the real advance to you at that period?—I believe 25,000*l.* in all.

1608. Then would that answer, if it had been so given to the Bank of England, have communicated to the Bank of England the information which they had a right to know?—I should not have known the information they wished to be made acquainted with; if they merely asked how much my business account was overdrawn, I should have thought that to be all the answer they required. If they had put the question to me, "How much do you owe the bank, either in the shape of shares or on the business account?" I should have said 25,000*l.*

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1609. Did you ever communicate to the directors of the Bank of England that in point of fact your engagements to the Bank amounted to 25,000*l.*?—No, I do not know that they ever asked me the question.

1610. Mr. *Smith.*] When they expressed a wish to know the amount of the overdrawn accounts, do you consider that you would have given a fair answer to that question by withholding the amount of the private overdrawn accounts of the directors?—I did not know whether the advance accounts were classed amongst the overdrawn accounts; my understanding of overdrawn accounts was, that they were the overdrawn accounts of parties that had current accounts.

1611. Upon what grounds should you have considered that it meant the business accounts?—Because I did not know that the amount of monies advanced upon my private account was included in the overdrawn accounts to customers.

1612. Ought it not to be included, in order to give a fair statement of the overdrawn accounts?—I do not know how the accountant is in the habit of making out the accounts.

1613. Mr. *O'Connell.*] Under one form or another ought it not to be there?—Most assuredly.

1614. What do you consider to have been the object of the mission of the Bank of England to Manchester?—To carry out the agreement which they had entered into with us, and to inspect the administration of the bank.

1615. And to obtain a knowledge of the affairs of the bank?—I have no doubt that was part of the object, though it was not part of the stipulation.

1616. Have you any doubt of their desire to obtain that knowledge, and that desire being manifested, and being acquiesced in by the direction given by the Northern and Central Bank to give them access to the books?—I have no doubt of it whatever, now, that their object was to get as much information as possible about the Northern and Central Bank, over and above the stipulations of the agreement.

1617. Do you consider that they could have got an accurate knowledge of the affairs of the Northern and Central Bank if the amount which appears in the private ledger had been excluded from their observation?—No, I do not think they could; I wish it to be understood that I never objected, myself, to their having any books that they wished for.

1618. Mr. *Smith.*] Then the weekly statement of the 17th of December submitted to the Directors of the Bank of England, from which a large sum was deducted, due by the directors on their private accounts in the private ledger, did not give to the Bank of England directors an accurate idea of the state of the Northern and Central Bank?—If so, it could not.

1619. Were you privy to the removal of that sum from the account of the 10th of December?—No, I know nothing about it.

1620. When did you hear of it?—At the time that the Bank of England made the objection.

1621. Do you know by whose direction it was removed?—No.

1622. Are you aware now that a still larger sum than that of 69,000*l.* also was deducted?—I do not know that.

1623. Have you ever heard of it?—I do not know that I have heard of two sums.

1624. Are you not aware that the sum originally due by the directors was much larger than 69,000*l.*, and was reduced to 69,000*l.* by deducting the amount of the notes of hand?—Yes.

1625. Ought not, therefore, the sums due by the directors, exclusive of those notes of hand, to have been stated?—I fancy they could not have obtained a correct knowledge of the amount without them, nor do I know that the objection was made.

1626. But you know that a statement was made to them, omitting those large sums?—It was a discrepancy in some way or other, but I do not know whether it was owing to those sums; I believe it was.

1627. Sir *J. Wrottesley.*] The details of the private ledger being kept separate, was not the total amount of the private ledger carried to the public account?—I fancy it must have been.

1628. Are not you aware that the account could not be balanced without it?—No, it could not.

1629. Do

1629. Do you mean to say that a sum amounting to 250,000*l.* could possibly have escaped your attention whenever you looked over the account?—If it had been stated as a sum of 250,000*l.* by itself, most assuredly it would have attracted my attention; but I take for granted that it was put amongst the overdrawn accounts.

1630. In detail, or all in one amount?—In all the general accounts before the board, we had no matters of detail.

1631. What was the entry which comprised that 250,000*l.*?—I suppose in the item of 1,300,000*l.*, the overdrawn accounts.

1632. Did you, as a director, never examine the particulars of the overdrawn accounts?—Any business accounts which were pointed out to us particularly, I examined them; but there is a feeling amongst many of the shareholders in joint stock banks that those accounts ought not to be looked into very strictly by men in business; and it never formed any particular part of my duty, and I had no business to do so till my attention was called to it.

1633. But that does not apply to the private ledger?—No.

1634. The present question is confined to the private ledger. The question is, how far it is possible that so large a sum due by the directors as 250,000*l.* could possibly have escaped your observation?—It might have escaped my observation, because the amount was not specifically entered, and therefore it would pass with me among the overdrawn accounts, which I had no detailed knowledge of.

1635. Do you conceive that you could be performing your duty as a director in not particularly scrutinising those accounts, and never paying any attention to them, unless it was drawn to that subject by others?—I will explain the reason why I did not. I was induced to become a director of the bank very much against my own will; but in consequence of its being proved to me that I should not be required to enter into any matter of detail, upon condition that I would attend to other matters of a more public nature, such as a journey to London, and visiting the branches, I consented to become a director, upon the understanding that if I gave my time in that wholesale way, I should be released from many of the details of duty in the bank. The consequence is, that I have given from 10 to 13 weeks to the bank in each year in coming to London or visiting the branches; and that attention I have always considered to be set against entering into the minute details of the bank, leaving that duty to others in whom I had confidence.

1636. Mr. *J. A. Smith.*] In the account of the 17th of December, which you submitted to the Bank of England directors at Manchester, there was a column stating the amount of the bills in your possession; are you aware whether that column included or excluded the past due bills?—I think in the book that is laid before us every week the past due bills are separated from the others.

1637. Was it so in the statement submitted to the Bank directors?—No, it was not.

1638. What was the object of including the undue bills and the past due bills together on that peculiar occasion?—I do not know that any particular instructions were given as to the mode in which the account should be made out; but if any were given, the accountant will be able to speak to that.

1639. Was it the first time that they ever were included in that manner in the weekly statement?—I do not know that we ever had occasion to give a copy of the weekly statement before.

1640. In point of fact, however, in the weekly statement regularly laid before the directors there was that distinction made, but in that particular statement laid before the Bank of England directors they were both joined together?—I believe that was so; but I do not know the reason why it was made out so.

1641. *Chairman.*] Did those overdue bills comprehend the whole amount of bills which had been overdue from the opening of the bank to that period?—That I cannot speak to; the accountant will be able to state that.

1642. Mr. *Clay.*] You stated that you were in London about a fortnight before the 28th of November; you stated also that you came up to assist Mr. Cassels at a time of great difficulty in the money market; you made application to several parties for advances?—A great many applications to parties for money.

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1643. Was that in the shape of requesting discounts upon bills?—Yes, in the usual way.

1644. The usual way being to offer bills for discount?—The usual way being to offer bills for discount.

1645. Did the parties who declined to advance money upon those bills object to the bills themselves as not being good bills?—No.

1646. Did they object to the security of the Northern and Central Bank?—No, except upon this ground, that they would rather take the bills without our indorsement, inasmuch, as if they were to offer them to the Bank of England, the Bank of England would refuse them.

1647. But otherwise they did not object to the security of the Northern and Central Bank?—No, nor the bills themselves. I have now in my recollection two 5,000 *l.* bills, and Mr. Gurney observed, "Nothing can be better than these bills, but I cannot do with them;" and Mr. Cassels said, "Have you less confidence in those houses?" "No," said he, "on the contrary, if possible, my opinion is higher."

1648. What reason did he assign?—On account of the scarcity of money and the number of applications he had, in consequence of which he was obliged to cut off some amount, and for that reason he laid aside those.

1649. That was Mr. Gurney himself?—Yes.

1650. Having experienced this considerable difficulty in raising money upon bills or upon the credit of the Northern and Central Bank, did it occur to you to endeavour to obtain supplies of money from your shareholders?—No, I do not know that it did; and for this reason, that all our capital being paid-up capital, I did not see that we had any claim upon our shareholders; and that if we made any application in the shape of a public meeting, it might create the very evil which we deprecated, namely, causing a pressure upon the bank.

1651. At the same time you were aware that each shareholder was individually responsible for the whole amount of his fortune?—Certainly.

1652. Does it not occur to you that it is a severer calamity to those shareholders that the bank should have stopped payment than that you should have applied to them by a general meeting?—Certainly stoppage of payment was a calamity to be deprecated; but had we waited till we got together our shareholders, to take their opinion as to what might be raised amongst themselves, the very evil might have taken place in the meantime; that is to say, we might have been compelled to stop payment in the meantime.

1653. You thought that a dangerous mode, of applying to the proprietors for assistance?—Yes, for the reasons I have stated.

1654. You have amongst your proprietors many very wealthy persons?—I believe there are many.

1655. Did it occur to you to apply privately to any of those?—Yes; there was one gentleman, a proprietor, to whom we confidentially mentioned our scarcity of money, and he obtained us discounts to the amount of 20,000*l.* or 30,000*l.* from another wealthy individual, a shareholder.

1656. Was that the only instance in which you applied to an individual shareholder?—I believe it was; and I do not know that we should have done that, but that he was a good customer of the bank.

1657. It did not appear to you that it would be a discreet measure to have called a general meeting?—I do not think it would, for this reason, that although many of our shareholders are wealthy men, they have their funds locked up in buildings or machinery; they have not money in the funds, or ready money.

1658. They are persons of great substance, but not able to supply you under the emergencies of the moment?—Not at all.

1659. You had 20,000 to 30,000 shares not disposed of?—About 30,000.

1660. Did not that occur to you as a resource?—Yes, but we could not sell them in the market when everybody was disposed to sell the shares they already had; and when those shares came down to something like par, we had no applications for them; and we had no resource in the way of making another call upon our shareholders.

1661. You think it would not have produced an available money resource to have forced the shares upon the market at that moment?—It might have created the very evil that we were deprecating; that is to say, to have caused the idea that the bank was in danger of stopping payment.

1662. Do

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1662. What was the nature of your notice previous to calling up all the capital that you had to call up?—I do not know; I suppose the usual form of notice.

1663. In how many instalments were your shares paid up?—In four.

1664. Do you recollect the date of the notice for those instalments?—I do not.

1665. *Chairman.*] Your shares were 10 *l.* shares, the whole being paid up; now, suppose that, in place of that, you had had 50 *l.* shares, and only 10 *l.* or 20 *l.* paid up; in that case, would the same objection which you have described against calling the shareholders together, and asking for a voluntary contribution, have applied as against making a call of 4 *l.* or 5 *l.* or 10 *l.* a share?—No; if there had been any portion of the shares which had not been paid up, we should have called for a further contribution from the shareholders.

1666. Do you think that it would have been a safer principle if, in place of 10 *l.* shares, you had had 50 *l.* shares, with a portion paid up, and a liability for further calls?—I think it is much better that the whole should not be called up.

1667. Do you think that the difficulties of the Northern and Central Bank are to any extent to be attributed to the number of its branches?—Yes.

1668. And to the distance of those branches?—And to the distance of those branches.

1669. Do you consider that to have a great number of branches at very distant places is a dangerous system for a joint stock bank?—I do; I was of a different opinion at one time, but experience has taught me the reverse.

1670. You are aware that, by the return made to the Secret Committee of last Session, it was stated that about 71,000 shares had been taken, and about 710,000 *l.* had been paid up; now, do you consider that return to have been a true return?—Yes.

1671. How do you reconcile with that return the number of shares which were held by the directors themselves on the private ledger account, and on which the capital had not been paid by themselves, but advanced by the bank?—Because those shares were advanced upon a cash credit, and were considered a loan of money upon the behalf of the shares which they represented. I beg to say, I think it a very objectionable mode of establishing a bank; I had nothing to do with it, and I confess I did take them against my will at the time.

1672. Suppose a bank was set up, and the whole amount of capital subscribed was obtained by cash credit advanced to individuals, would there be any capital at all?—No, there would not; it is a very bad plan.

1673. Then, if to the extent of any given number of pounds, there has been capital advanced by the bank itself for its own directors, does not that, *pro tanto*, diminish the means and resources of the bank?—It does, and now I see it to be very objectionable; but it did not occur to me at the time.

1674. Were you in the habit of looking over the accounts of the bank before the declaration of the dividends?—Nothing but the balance-sheet; the balance-sheet was shown to me, because, as it was part of my arrangement with Mr. Moult that I would take the chair at public meetings, I looked over the balance-sheet.

1675. Upon that balance-sheet was the balance struck upon an assumed profit upon unsold shares?—At one meeting the balance certainly was struck upon an assumed profit upon unsold shares.

1676. Do you consider that to be such a fair balance-sheet as would warrant the directors of the bank to declare a dividend?—The opinion I formed at the time was this, that having a certain number of shares at our disposal, which we found to be worth so much in the market, we had a right to say that we would not dispose of any shares under 11 *l.* instead of 10 *l.*; but I think it is wrong now.

1677. Did not it depend upon a mere contingency, which might or might not happen?—Yes, it did; but we thought we should realise the amount, and in point of fact we have realised the sum total, except about 1,500 *l.*; I, nevertheless, think it objectionable.

1678. Mr. *Clay.*] Supposing the whole 10 *l.* for the shares had not been paid up by the proprietors, do not you think that in that state of the money market which you have described, and in the circumstances of suspicion which you

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describe as having arisen respecting the bank, you would have had the same difficulty in getting the subscribers to pay up in answer to a call?—No doubt we should have had some difficulty in obtaining money from our proprietors, in the same way that all people do who want to raise money when it is scarce; but I think it is much better that we should have an opportunity of receiving as much money as we can get, rather than that we should be tied up from demanding any more.

Mr. *James R. Lyle*, called in; and further Examined.

Mr. *J. R. Lyle.*

1679. Mr. *J. A. Smith.*] DID you prepare the account that was submitted to the Bank of England directors at their visit to Manchester in the month of December?—Any accounts submitted to the Bank of England directors must have been prepared by me.

1680. Did you receive any direction from any of the directors as to the mode of preparing those accounts?—No, I do not recollect any in particular.

1681. They were done by you at your own discretion?—Except as I stated before with regard to the private ledger account.

1682. But with regard to the public accounts?—The public accounts were taken exactly as they appeared upon the books.

1683. Did you not, in the accounts you submitted to the Bank of England directors, include amongst your assets the past due bills?—Yes.

1684. Was it customary to join together the undue bills and the past due bills in one total in the weekly statement submitted to the directors?—No, not in the accounts laid before the directors.

1685. Did you not join both together in the account submitted to the Bank of England directors?—The first account sent to them had both classes of bills put together.

1686. By whose direction did you make that alteration?—It must have been done by direction of the board.

1687. Are you sure of that?—Yes.

1688. What gentleman at the board would convey that direction to you?—I cannot recollect at this time.

1689. Do you conceive that to have given a fair statement of the assets of the bank?—I do not know; it must have been understood that the whole of the bills included also the past due bills.

1690. You are understood to state that in the weekly statements submitted to the directors a distinction was made between the past due bills and the undue bills; but that in the statement given to the Bank of England directors both were joined together?—Yes.

1691. Do you conceive that the statement submitted to the Bank of England directors was a fair statement of your position as regarded the possession of bills of exchange?—It would have been more distinct to have given them separate.

1692. Was not it delusive as regards those past due bills?—I do not consider it to amount to that.

1693. Did not it make you appear to have in your possession as many more bills of exchange as the past due bills amounted to?—We still considered them bills of exchange, notwithstanding they were past due.

1694. Did not they purport to be a means of raising money?—Certainly.

1695. Were they not valued as a means of raising money?—They were valued as a security.

1696. Was it not therefore to that extent a delusive statement?—To the extent of those bills not being so valuable as bills that were current.

1697. Is not a past due bill upon the face of it valueless?—Not always.

1698. Does not it purport to have been dishonoured?—It has been dishonoured; but in many instances many of those bills may be taken up.

1699. Was that act of including the past due bills with the undue bills done upon your own judgment and discretion, or had you specific directions from the board so to include them?—That statement was made up in so far as regards those bills by a special direction from the board.

1700. Was there a minute made to that effect?—No, it was a verbal direction.

1701. Did those past due bills include all the past due bills from the commencement of the bank?—It did.

1702. Upon many of which dividends had been received?—Yes, a portion of them.

1703. Was the amount of dividends deducted from the amount of the past due bills?—It was.

1704. Then what remained was nearly valueless?—No, that did not follow.

1705. In the transfer share-book, under the date of the 9th of August 1836, there is a transfer of 20 shares by *A. B.* from J. R. Lyle; had Mr. *A. B.* ever any shares standing in his name?—No, I do not think he had.

1706. Then how could he make or transfer shares that he had not in his name?—The shares were supposed to be conveyed to him at the time.

1707. Were they conveyed?—They were not regularly.

1708. There was no transfer made to him?—There was no transfer made to him.

1709. Then how could he transfer them to another party?—Those transfers were a matter of regulation by the board; I had nothing to do with it, but to obey the board in that respect.

1710. But how could a man transfer shares that he had not?—I transferred to him, and he transferred them to another party.

1711. Then it was done at your instance?—Not exactly.

1712. At whose instance was it done?—It may have been done under the general regulation that shares held by us could not be transferred in our own names.

1713. Is it not the fact that you sold those shares, and that you induced him to sign the transfer receipt for the purpose of concealing from the purchaser the fact that you had sold those shares?—It was a matter of entire indifference to me. I should have preferred to have sold them in my own name.

1714. Did not he sign the transfer receipt at your instance, for the purpose of concealing from the purchaser of those shares the fact that you sold them?—I do not think it could conceal them; it was matter of no moment from whom he bought them.

1715. Then why did he sign it?—From the regulation that I alluded to.

1716. Who received the consideration-money for those shares?—I did; it was placed to my account.

1717. Did you ask him to sign that transfer receipt?—I believe he must have been asked in the common course of business.

1718. Was it the common course of business that persons should sign transfer receipts who had no shares?—No, it was not usual.

1719. Did you ever know of any other instance?—There may have been other instances.

1720. In whose cases?—I cannot say.

1721. *Chairman.*] Did you make up the annual accounts of the bank, upon the balance of which the dividends were declared?—Yes.

1722. Have you got the copies of those accounts?—I was directed to furnish an abstract of those accounts, which I have prepared.

[*The Witness delivered in the same, which was read, as follows:*]

ABSTRACT of "Undivided Profit Account," Northern and Central Bank, 31 Dec. 1836.

Dr.	£.	s.	d.
Dividend of 5 per cent., paid from profits of 1834	15,865	16	9
Ditto of 7 per cent., from profits of 1835	46,611	17	4
Ditto of 4 per cent., from profits of half-year to 30th June 1836	31,306	8	–
Preliminary expenses, written off in the course of the account	5,964	9	4
£.	99,748	11	5
Balance	82,291	4	7
£.	182,039	16	–

Cr.	£.	s.	d.
31 Dec. 1834:			
Profits from business	18,984	14	9
Received for premiums on shares	1,026	–	–
31 Dec. 1835:			
Business profits	48,748	18	11
Received for premiums	4,735	10	–
31 Dec. 1836:			
Business profits	79,424	12	4
Received for premiums	29,120	–	–
£.	182,039	16	–

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1723. In striking the balance when your dividends were declared, did you take credit for an assumed profit upon the unissued shares?—Yes; but in making up the accounts to the last period, that assumed profit was in fact reversed, and the real profit was stated.

1724. But in the two first of those declarations of dividends, the assumed profit was calculated upon unissued shares, and upon that basis the account of dividends was declared?—This payment of dividends of five per cent., paid from the profit of 1834, is covered by the profit from business of that year.

1725. In what part of this account does there enter the assumed profit upon the unissued shares?—The assumed profit is included in the item of business profits.

1726. Then are the Committee to understand that in the business profits of the year 1835, amounting to 48,748 *l.*, there is included an assumed profit upon the sale of unissued shares?—No.

1727. Where does it then enter?—It was entered subsequent to this being made up; it formed a portion by itself.

1728. But at the period when the dividend was declared, it did enter into the item of business profits upon which that dividend was declared?—Not the business profits.

1729. Where did it then enter?—It is shown in the accounts made up at this date.

1730. Have you copies of the actual accounts themselves, this being an imaginary account, made up to the present moment?—Not an imaginary account, it is a real account.

1731. Can this be a real account of the year 1835, when, by your statement, it varies from that account?—It does not vary; this is the profit for that year.

1732. But with respect to this side of the account, as furnished in the year 1835, you mean to say that this account now furnished is identical with the account furnished to the directors in the year 1835?—By transferring the item of the year 1835, it is.

1733. Then this is not identical with the account furnished in the year 1835?—It is identical with the state of the balance now.

1734. But not identical with the account then furnished?—No.

1735. Mr. *Clay.*] Can you give to the Committee copies of any accounts laid before the board of directors at the several times when the dividends were declared?—These are the result of copies of the accounts.

1736. Can you not give the accounts themselves?—Yes.

[*The Witness was directed to furnish the Committee with copies of the said Accounts.*]

1737. You have stated that the variations made in the accounts furnished to the Bank of England, by including the overdue bills, were made by the direction of the board of directors. Can you state who gave you that instruction; was it Mr. Moult, or anybody else?—It may have been him, but it is impossible to say, because several of the directors may have been present. There were directions given, but by whom I cannot say.

1738. But you are certain that it was done by their direction, and not of your own discretion?—It is not what I would have done without direction.

1739. Can you recollect whether Mr. Moult was present at that time?—I think it is likely.

1740. Are you certain?—No, I am not certain.

Veneris, 10° *die Martii*, 1837.

MEMBERS PRESENT.

Mr. Baring.	Mr. Clay.
Mr. Hamilton.	Mr. O'Connell.
Mr. Jephson.	Mr. Loch.
Mr. Strutt.	Mr. J. A. Smith.
Sir John Wrottesley.	

MR. BARING, IN THE CHAIR.

Mr. *James R. Lyle*, called in; and further Examined.

Mr. *J. R. Lyle.*

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1741. *Chairman.*] YOU kept the private ledger?—Yes.

1742. What authority had you for those entries which you made in the private ledger?—I think that I explained before, that I had the authority of Mr. Moult, the Chairman.

1743. Had you no authority of a minute of the board?—No.

1744. Then did you never see that private minute which has been produced to the Committee?—Yes, that private minute has been always in my possession.

1745. Had you any other private minutes in your possession?—No.

1746. Is that the only private minute in existence?—That is the only private minute in existence.

1747. What was the usual practice of the board with regard to their minutes?—The usual practice was to engross all their minutes in one book. A part of that minute is engrossed in the ordinary minute-book.

1748. But there are several entries upon that sheet of paper which are not engrossed in the public minute-book?—It was intended to have engrossed them in a private minute-book, which was never begun.

1749. What was the usual practice of the board with regard to their minutes?—The usual practice was to make a rough minute during the sitting, which was afterwards engrossed into the minute-book. There were daily minutes taken; those were not engrossed, except something particular might be mentioned.

1750. There were daily minutes taken in a rough shape?—Yes.

1751. Those were read over to the regular boards?—Yes.

1752. Were all those inserted in the public minute-book?—Only such of them as were thought of importance.

1753. What became of those that were not inserted?—They remained in the daily minute-book.

1754. Are the daily minute-books in existence?—Yes.

1755. In whose custody are they?—I do not know that they are in the custody of any particular person; the manager generally has them.

1756. They are kept together in the shape of a book?—Yes; it is simply a book gone on with from day to day.

1757. When you speak of the manager, do you mean Mr. Thorpe?—No; Mr. Evans. Mr. Thorpe might have it too when he is at the board; he writes those minutes.

1758. Was that daily minute-book produced to the directors of the Bank of England who went down to Manchester?—No, I do not think it was.

1759. By whose direction was it not produced?—There is nothing in it that would be of any consequence to them.

1760. Mr. *O'Connell.*] Was it asked for?—Not that I am aware of.

Mr. *J. R. Lyle.*

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1761. You said that there were no other private minutes in existence; had there been any such in existence at any time?—None except that one which has been produced to the Committee.

1762. Mr. *Baring.*] You were desired to bring certain accounts by order of the Committee; do you now produce them?—I do.

[*The Witness delivered in the same.*]

STATEMENT of PROFIT and LOSS ACCOUNT of the Northern and Central Bank, to 31st December 1834.

	£.	s.	d.	£.	s.	d.
Credit:						
1. Interest received:						
At head office	22,275	13	6			
At branches	15,029	6	9			
				37,305	–	3
2. Commission received:						
At head office	5,617	2	8			
At branches	5,309	–	4			
				10,926	3	–
3. Miscellaneous; viz.						
Fees on transfers	106	10	–			
Ditto for scrip	2,365	19	–			
Premium on shares	1,026	–	–			
				3,498	9	–
Sum £.				51,729	12	3
Debit:						
1. Interest paid:						
On bills re-discounted	16,043	4	2			
On currrent accounts and deposits at head office	1,633	9	2			
Ditto at branches	2,690	1	10			
	20,366	15	2			
2. Commission paid:						
To London bankers; also for composition for stamps on bills and notes and licences	1,420	15	6			
3. Expense of Management:						
Salaries, rent, postages, stationery, &c., at head office £.	3,549	17	10			
Ditto at branches	6,381	9	–			
	9,931	6	10			
Deduct				31,718	17	6
Profit at 31st December 1834 £.				20,010	14	9

STATEMENT of PROFIT and LOSS ACCOUNT of the Northern and Central Bank, to 31st December 1835.

	£.	s.	d.	£.	s.	d.
Credit:						
1. Interest received:						
At head office	42,836	6	8			
At branches	55,440	14	1			
				98,277	–	9
2. Commission received:						
At head office	10,043	8	8			
At branches	20,750	5	2			
				30,793	13	10
3. Miscellaneous; viz.						
Fees on transfers and scrip	1,220	13	–			
Premium on shares	4,735	10	–			
Rents received	67	11	8			
				6,023	14	8
Sum £.				135,094	9	3

Debit:

	£. s. d.	£. s. d.
1. Interest paid:		
On bills re-discounted	37,712 7 1	
On accounts and deposits at head office	4,027 6 3	
On ditto at branches	12,117 4 7	
	£. 53,856 17 11	
2. Commission paid:		
To London bankers; also composition for stamps, &c.	3,293 7 8	
3. Charges of Management:		
Salaries, rent, postages, stationery, and other charges of management at London office £. 2,267 1 10		
Ditto, at head office 5,836 19 7		
Ditto, at branches 16,355 13 4		
	24,459 14 9	
Deduct		81,610 – 4
Profit for the year to 31st December 1835	£.	53,484 8 11

(Trial) Statement of Profits of the Northern and Central Bank for Half-year to 30th June 1836.

Credit:

	£. s. d.	£. s. d.
1. Interest received:		
At head office	29,144 16 7	
At branches	44,772 16 10	
		73,917 13 5
2. Commission received:		
At head office	7,366 – 6	
At branches	14,709 2 8	
		22,075 3 2
3. Miscellaneous:		
Fees on transfers, scrip, &c.	1,197 8 6	
Premium on shares	12,405 – –	
Ditto received for Bristol and Wakefield branches	1,525 – –	
		15,127 8 6
Sum	£.	111,120 5 1

Debit:

	£. s. d.	£. s. d.
1. Interest paid:		
On bills re-discounted	26,388 13 10	
On accounts and deposits at head office	2,663 3 6	
On ditto at branches	12,941 13 –	
	41,993 10 4	
2. Commission:		
Paid to London bankers, &c.	2481 18 2	
3. Charges of Management:		
At London office £. 1,205 19 10		
At head office 3,610 8 11		
At branches 8,133 1 3		
	12,949 10 –	
Deduct		57,424 18 6
Remains	£.	53,695 6 7
Deduct, included above:		
Premium on shares	12,405 – –	
Ditto for Bristol and Wakefield	1,525 – –	
Due to solicitors, say	400 – –	
Interest over-stated last year	238 13 3	
		14,568 13 3
Business profit, Half-year to 30th June 1836	£.	39,126 13 4

Mr. *J. R. Lyle.*

10 March 1837.

STATEMENT of PROFIT and LOSS ACCOUNT of the Northern and Central Bank, to 31st December 1836.

	£. s. d.	£. s. d.
Credit:		
1. Interest received:		
At head office - - - - - - -	60,752 17 3	
At branches - - - - - - - -	95,790 12 7	
		156,543 9 10
2. Commission received:		
At head office - - - - - - -	14,100 2	
At branches - - - - - - - -	30,820 6	
		44,920 8 9
3. Miscellaneous; viz.		
Fees on transfers - - - - - -	1,309 2 –	
Scrip - - - - - - - - -	480 5 –	
Sundry rents received - - - - -	129 18 4	
		1,919 5 4
Sum - - - £.		203,383 3 11
Debit:		
1. Interest paid:		
On bills re-discounted - - - - -	56,901 12 1	
On accounts and deposits at head office - -	6,039 17 2	
On ditto at branches - - - - -	25,253 16 3	
£.	88,195 5 6	
2. Commission paid:		
To London bankers; also for licences and composition for stamps - - - - -	4,979 4 –	
3. Charges of Management:		
Salaries, rent, postages, stationery and other charges of management at London office - £. 2,399 15 6		
Ditto, at head office - - 7,133 15 8		
Ditto, at branches - - - 16,744 10 11		
	26,278 2 1	
Deduct - - -		119,452 11 7
Remains - - - £.		83,930 12 4
Deduct farther:		
Interest due to the Bank of England - -	3,306 – –	
Law expenses, estimated at - - - -	1,200 – –	
		4,506 – –
Profit for the year to 31st December 1836 - - - £.		79,424 12 4

Exclusive of 1,525 *l.* premiums received for Bristol and Wakefield branches, not brought to credit of Profit and Loss Account, but carried direct to account of "undivided profits."

PARTICULARS of BALANCE of UNDIVIDED PROFIT ACCOUNT of the Northern and Central Bank, to 31st December 1836.

	£. s. d.	£. s. d.
Profits, 1834, per account - - - - - - - - - -		20,010 14 9
Deduct dividend paid therefrom - - - £.	15,865 16 9	
Payment authorised at general meeting of proprietors -	525 – –	
		16,390 16 9
Remains - - - £.		3,619 18 –

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Mr. J. R. Lyle.

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	£. s. d.	£. s. d.
Profits, 1835, per account - - - - - - -	53,484 8 11	
Add, for 1 *l.* per share to be charged against 29,104 shares remaining unappropriated at 31st December 1835, as authorised per minute 21st December -	29,104 - -	
N.B.—This amount was realised in 1836, excepting the sum of 1,509 *l.* deducted below.		
	£. 82,588 8 11	
Deduct:		
Sum ordered to be set aside to meet the loss on bad debts incurred since commencing business in March 1834 - - - - - - - £. 15,293 3 10		
Proportion of preliminary expenses written off - - - - - 3,113 6 3		
Dividend paid to proprietors - - 46,611 17 4		
	65,018 7 5	
		17,570 1 6
Surplus - - - £.		21,189 19 6
Profits, 1836, per account - - - - - -	79,424 12 4	
Add, received for Bristol and Wakefield branches -	1,525 - -	
	£. 80,949 12 4	
Deduct:		
Remainder of preliminary expenses - £. 2,326 3 1		
Deficiency on premium account, being the balance of 29,104 *l.* stated above, not realised - - - - - 1,509 - -		
Dividend to proprietors - - - 31,306 8 -		
	35,141 11 1	
		45,808 1 3
Sum set aside last year to meet loss on bad debts resumed (*see* above) -		15,293 3 10
Surplus at 31st December 1836, to meet loss on bad debts from commencement, as per report to proprietors, 23d February 1837 - -		82,291 4 7

1763. Mr. *J. A. Smith.*] In one of the papers which has been put in, there is a statement made by the directors of the Northern and Central Bank, that 97,979 *l.* would be required to cover the losses at your head office and at your branches; do you consider that a sufficient sum for that purpose?—No.

1764. Do you conceive it greatly to exceed that?—It will exceed that by a considerable sum, I think.

1765. Can you state by what sum?—Further on in the statement it is stated that from 15 *s.* to 1 *l.* a share would cover the whole loss.

1766. Do you conceive that that 15 *s.* or 1 *l.* a share will cover all the loss?—I should conceive that it would not exceed that.

1767. What sum would that amount to?—Upwards of 160,000 *l.*

1768. Therefore you think the losses will be nearer 160,000 *l.* than 97,000 *l.*?—Yes; but that 97,000 *l.* was the estimate of the loss upon debts that had turned out badly up to the end of the year; and there are a great many that have become bad since, which were not under the view of the directors at that time.

1769. What was your previous occupation in life before you were appointed to the situation you hold in the Northern and Central Bank?—I was second accountant in the National Bank of Scotland.

1770. And had been conversant with banking business a considerable length of time?—I was in that bank for eight years.

1771. Do not you conceive that most improper credit has been given to individuals by the Northern and Central Bank?—In many cases it has been very unfortunate.

1772. You having been conversant with the Scotch banking business, and having gained experience in the system of banking in Scotland, has not the mode

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mode of business pursued by the Northern and Central Bank with regard to advances been very imprudent in your opinion?—It has been very different indeed from the Scotch system.

1773. Will you state the difference, whether it consisted in the mode of advances or in the prudence of those advances?—The system of banking credit in Manchester is exceedingly different from what it is in Edinburgh: for instance, it would be considered quite an offence if any person came to you in Manchester with a bill if it was not instantly cashed; but where I was formerly, all bills were required to be left in the forenoon to be inspected by the directors, and either passed or declined, and called again for in the afternoon; and if such a system were tried in Manchester it would fail completely; no one would come near you.

1774. Then much greater deliberation was used with regard to the discount of bills in Scotland?—Much greater.

1775. And greater caution as to the amount of advances?—Much greater.

1776. Mr. *O'Connell.*] There seems to have been no deliberation at Manchester; but if a party was a customer you discounted his bill as a matter of course?—So far; but a party who was in the habit of discounting with us previously agreed to open an account, and the understanding was generally made that he was to have advances to such an extent.

1777. Do not you consider that the mode of banking pursued by the Northern and Central Bank was essentially different from that pursued by the banking companies in Scotland?—I consider it essentially different.

1778. You consider that pursued in Scotland much more safe?—Much more safe.

1779. Mr. *Jephson.*] Taking your own account in the private ledger, how is that first debit of 1,169 *l.* 19 *s.* 10 *d.* made out?—It is a transfer from the public book.

1780. What was that sum itself composed of; was it for a transfer of shares or for a debit from cash drawn by yourself for any other purpose?—I think it consisted of 100 shares in the Northern and Central Bank.

1781. How was the second item of 521 *l.* 7 *s.* composed?—On the same account of shares in the Northern and Central Bank.

1782. How was this item entered, sundries 1,530 *l.* 9 *s.*, made out?—Twenty shares in the Yorkshire district, 263 *l.* 1 *s.*; 50 shares in the Royal Bank of Ireland, 250 *l.*; 50 shares in the London and Westminster Bank, 1,017 *l.* 8 *s.*

1783. You stated that you commenced to keep the private ledger by directions of the directors; was any minute made by the directors to that effect?—No, there was no minute.

1784. Was there any other transaction of a similar nature done without a special minute of the directors?—No; as far as regards the accounts they were pretty much left to my own management.

1785. Mr. *Clay.*] Was there a general assembly of the proprietors of the Northern and Central Bank held in 1834?—No, the first meeting was in April 1835.

1786. When was the first dividend declared?—At that meeting.

1787. Was the account which you have handed in of profits from the commencement of business up to the 31st December 1834 submitted to that assembly?—A very short abstract of it was.

1788. The account which you have now handed in of profit up to the 31st of December 1834, is a copy of that which was laid before the board of directors at which the dividend was declared?—Yes.

1789. What was the amount of your first dividend?—Five per cent.

1790. Upon what sum?—I cannot recollect the sum.

1791. It was five per cent. upon the amount of the capital then paid up?—Yes.

1792. The whole of the capital had not been paid up at that time?—No.

1793. Was any allowance made at the time for bad debts up to the end of 1834?—No.

1794. Then no bad debts were incurred in 1834?—Yes, there might have been.

1795. What amount of bad debts had been incurred in 1834?—I cannot answer that question; but it could not be very much.

1796. What was the amount of dividends declared for the year ending the 31st December 1835?—Seven per cent.

1797. When was the meeting of the proprietors at which that dividend was declared?—In April 1836.

1798. In the statement of profit and loss for the year ending 31st December 1835 there appears to be a net profit, after deducting expenses, of 53,484 *l.* 8*s.* 11*d.*; was any allowance in the account made for bad debts?—That is exclusive of bad debts; but there was an allowance made before payment of the dividend.

1799. That sum was 15,293*l.* 3*s.* 10*d.*?—Yes.

1800. Was that made at that time?—It was made at that time.

1801. Was that passed to the debit of the profit and loss account under the date of 31st December 1835?—No; it necessarily was afterwards, because those statements were made after the close of the year.

1802. Was any statement, upon which a dividend was to be grounded, made to the assembly of proprietors in April 1836?—I do not think there was any particular statement; they were informed that the profits were so and so, after allowing the dividend, and laying aside a sum to meet loss on bad debts; that a certain surplus would remain, whatever it was. There was no detailed statement given to the meeting.

1803. Only a declaration of a certain sum that would remain to set against bad debts?—Yes.

1804. There is a sum of 15,000 *l.*, put down on the 31st of December 1835, to meet debts incurred since the commencement of business, in March 1834; is it your opinion that bad debts to a larger amount had not been incurred up to that time?—A larger amount of bad debts was certainly incurred up to that time; the bad debts at that time, so far as I recollect, were estimated at 27,000 *l.*

1805. By a statement here, which has been furnished to the Committee by the Bank of England, it appears that on the 17th of January 1836, which is but nine days after the 31st of December, there were bills over-due to the amount of 62,072*l.*; is it probable that there were only bad debts to the amount you have just stated?—The directors, in estimating the bad debts, did not take off what bills might appear over-due, but simply the loss that might have occurred.

1806. Had you experienced no losses except on dishonoured bills; had you had no persons fail in debt to the bank?—Yes, there were bad debts beside the past-due bills.

1807. What was the amount of those?—I am not prepared to say. As I stated before, the loss on bad debts, up to the 31st of December 1835, was estimated at 27,000 *l.*

1808. Do you still think that was a correct estimate, after being reminded that the past-due bills of that date were upwards of 60,000 *l.*?—Yes, it is quite possible.

1809. That amount being, of course, to be added to whatever bad debts had been incurred in any other mode?—Yes.

1810. Has there been any other general assembly of proprietors held since that one in 1836, at which a dividend was declared, till the assemblies which have been held since the embarrassments of the bank?—There was a meeting in August last.

1811. What was the object of that meeting; was it to declare a further dividend?—Yes, there was a further dividend declared at that meeting.

1812. Up to what period?—Up to the 30th of June 1836.

1813. What dividend was declared at the meeting for the half year ending the 30th of June 1836?—Four per cent.

1814. Was any statement of bad debts incurred made to the proprietors at that meeting?—No, there was no statement of that description laid before them.

1815. In the account of profit and loss to the 30th of June 1836, there is a net profit of 39,126 *l.* declared, and out of that a dividend of four per cent.; upon what sum was that dividend declared?—On a sum of 776,000 *l.*

1816. Then the dividend declared amounted to 31,306 *l.*?—Yes.

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1817. At that meeting of the proprietors was any mention made of the bad debts incurred by the bank up to that time?—No, there never was any amount mentioned; it is not the custom to state the amount of bad debts. There never was anything stated to the meeting, but that a sum had been taken off to meet the loss from bad debts; but the specific sum was never mentioned.

1818. Have you the means of furnishing the Committee with the amount of the bad debts at that time incurred?—There was an estimate made by the directors at that time, and the amount of bad debts made from December 1835 to June 1836 was exceedingly small; the sum of 2,500 *l.* was estimated to cover the loss during all that period.

1819. Was it stated at the meeting of the proprietors in April 1836, at which the dividend for the year 1835 was declared, that part of the estimated profits consisted of 1 *l.* per share on 29,000 shares remaining unsold?—No, that was not mentioned.

1820. It appears that the sum referred to, of 29,000 *l.* being the profit of 1 *l.* a share on 29,000 shares then undisposed of, is stated in a memorandum to have been realised subsequently, in the year 1836; was it realised by the sale of the whole 29,000 shares, or upon what portion of them?—Only a portion: about 9,000 of them.

1821. Which produced a profit to the company of 29,000 *l.*, less 1,500 *l.*?—Exactly so.

1822. Can you furnish to the Committee a list of the overdrawn accounts, stating the amount overdrawn on the 31st October 1836, and the number of persons who had so overdrawn their accounts?—I could easily make up such an account from the books.

1823. You could also state what number of those accounts were the accounts of persons being also shareholders?—It might be done.

1824. Also the total amount of the sum which those shareholders had so overdrawn?—Yes.

[*The Witness was directed to furnish those accounts.*]

1825. Mr. *Jephson.*] Was the account on which the last dividend was struck audited on the part of the shareholders?—There was no particular audit made, except that the directors called together several of the shareholders and submitted the accounts to them previous to going to the meeting.

1826. Did they submit the details from which these general results were drawn to those shareholders?—I do not think they did; but I cannot recollect; indeed, I was not always present upon those occasions.

1827. Are the Committee to understand that auditors, properly so called, were not appointed on the part of the shareholders to examine those books, to see that those accounts were correct?—They never were.

1828. Have you the accounts with you in town from which this summary which was laid before the shareholders was made out?—The summaries were exceedingly short; in fact, it was little more than saying that such a dividend would be paid, leaving a certain surplus.

1829. Must there not have been an account more in detail taken from the books previously made out for the satisfaction of the directors before they allowed a statement of this kind to be made?—Those were the statements that were laid before the directors.

James William Freshfield, jun., Esq., called in; and Examined.

J. W. Freshfield, jun., Esq.

1830. *Chairman.*] YOU are solicitor to the Bank of England?—I am.

1831. You accompanied two directors of the Bank of England to Manchester?—I did.

1832. And you were cognizant of the whole of the transactions for the time that you were there?—I was.

1833. Mr. *J. A. Smith.*] Were you also cognizant of the transactions that passed on the application of the Northern and Central Bank to the Bank of England for assistance upon the first occasion?—I was.

1834. And

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1834. And upon the subsequent occasion?—I was; I was present at all the interviews.

1835. You are aware that the Bank of England have given to the Committee a statement of the transactions that passed between them and the Northern and Central Bank, and certain accounts also of the Northern and Central Bank?—I am.

[*A Paper was shown to the Witness.*]

1836. Will you look at that, and state whether that is the paper?—It is.

1837. You are fully cognizant of all the contents of it?—I am; I prepared that statement.

1838. Is it perfectly conformable with the information you derived from the books of the company?—It is a correct statement of the transactions that passed, and the result of our inquiries.

1839. Your attention is requested to the statement at the beginning of it, with reference to the liabilities of the Northern and Central Bank, as represented to the Bank of England upon the first application for assistance. That statement was made by Mr. Braidley and Mr. Evans, upon the application which they made to the Bank of England for assistance upon the 30th of November 1836?—It was.

1840. Was it made in your presence?—It was.

1841. Did Mr. Evans dissent from it in any way?—Not at all; that question was discussed over and over again. The governor particularly called the attention of Mr. Braidley and Mr. Evans to the great reduction that had taken place in the amount of the deposits, which were stated by the evidence before the Committee of last year to amount to 900,000 *l.* or thereabouts, and which appeared then to have been reduced to 260,000 *l.*; and Mr. Braidley said that it originated from some temporary deposits having been called in, as he believed; but that he had not been at Manchester for some time, and that he could not give a full explanation of it.

1842. Was that statement made in Mr. Evans's presence?—Yes, it was the subject of discussion almost the whole day; the great discredit into which the bank had already come, as shown by the fact of the very large amount of deposits withdrawn.

1843. Mr. *O'Connell.*] How long did the interview last?—I should think that we were there from 10 or 11 in the morning to six in the evening, occasionally away for half an hour; they went out to consult, and withdrew for the Bank to consult, but it lasted, with intermissions, from 10 in the morning till 6 in the afternoon.

1844. Can you charge your recollection whether or not Mr. Evans took a part in the discussion?—He was repeatedly referred to by Mr. Braidley and by the directors of the Bank for information, and he gave answers upon that subject.

1845. Confirming Mr. Braidley's statement?—Entirely.

1846. That you distinctly recollect?—Most distinctly.

1847. Was the statement so made by Mr. Braidley on the 30th of November stated by him to be made in accordance with accounts furnished to him from Manchester?—It was stated by him to be in accordance with accounts furnished to him by one of the directors.

1848. Mr. *J. A. Smith.*] Was not the amount of deposits as then stated proved subsequently to be largely erroneous?—Yes, very largely. When the account was rendered it appeared to be 860,000 *l.* instead of 260,000 *l.* The first account rendered was up to the 3d of December, and upon that account the deposits and credit balance are stated to be 869,835 *l.*; and there is an observation against that to this effect: "About one third only of the amount stated is composed of deposits, properly so called, the remaining two thirds being balance at the credit of parties keeping active accounts with the bank, and which might be deducted from the amount stated in column No. 2. The amount stated in column No 2. is the amount of over-drawn accounts."

1849. Was there anything in the books of the company which showed a distinction between the deposit accounts and those cash balances therein referred to?—There was not; there was no distinction whatever; this very account puts them altogether.

1850. Is it within your knowledge that it is the custom of business at Manchester to make any distinction?—I understand it at Manchester to be the custom to make such distinction.

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1851. You accompanied the Bank directors on their visit to Manchester subsequent to the second application for assistance on the part of the Northern and Central Bank?—I did.

1852. They rendered you certain accounts and statements purporting to put you in possession of the state of the Northern and Central Bank at that moment?—They did.

1853. Were those accounts correct?—The account first rendered to us was a continuation of this account which I hold here, a weekly account.

1854. Can you produce to the Committee a copy of the weekly statement submitted to the Northern and Central Bank directors at Manchester for their guidance?—I can. [*Producing the same.*]

1855. Can you produce the statement submitted to the Bank of England Directors upon their arrival at Manchester to give them information as to the state of the affairs of the company?—I can. [*Producing the same.*]

1856. Have the goodness to deliver in those accounts.

[*The same were delivered in, and are as follows:*]

STATEMENT of Securities in Hand, Deposit and Credit Balances, Cash and Circulation of the Northern and Central Bank of England, according to Returns at 3d December 1836.

BRANCHES.	No. 1. SECURITIES. Bills and Notes.	No. 2. SECURITIES. Dr. Balances of Accounts.	No. 3. Deposit and Credit Balances.	No. 4. Cash in Hand.	No. 5. Circulation of Northern and Central Notes.
	£.	£.	£.	£.	£.
Bakewell	-	6,947	11,244	1,436	5,480
Bangor	1,852	13,748	17,468	2,132	8,085
Birmingham	36,041	47,327	40,287	5,275	13,950
Bolton	3,049	11,614	32,720	2,317	2,285
Bradford	2,598	16,902	3,141	1,441	7,075
Carnarvon	2,103	10,366	12,900	2,005	3,845
Chester	241	4,687	4,305	3,328	2,060
Cleckheaton	7,112	20,928	5,158	1,076	7,045
Congleton	6,937	3,525	15,336	1,170	5,920
Colne	1,341	17,201	15,045	2,155	4,700
Clitheroe	227	3,248	10,210	580	3,615
Denbigh	6,620	6,900	6,800	2,400	3,385
Evesham	4,381	16,334	14,220	1,053	5,370
Grantham	-	9,680	3,506	1,647	3,015
Halifax	2,214	20,410	3,432	2,893	3,225
Holywell	5,788	12,074	5,508	1,613	2,190
Keighley	1,525	14,765	12,735	1,890	7,255
Knutsford	681	1,848	28,336	1,460	4,250
Leeds	64,763	114,318	20,340	8,160	23,700
Leominster	4,815	6,831	16,401	1,923	7,730
Liverpool	66,794	155,628	26,532	2,733	70
Macclesfield	3,331	7,423	21,390	1,849	7,430
Mold	915	3,224	7,893	970	3,365
Nantwich	15,764	16,232	71,710	2,829	17,240
Northwich	789	2,422	24,335	536	3,905
Nottingham	19,971	136,348	15,718	7,336	18,430
Oswestry	2,727	8,700	14,250	1,674	7,955
Ormskirk	-	-	13,513	625	240
Preston	307	1,893	3,028	236	1,865
St. Helen's	1,099	9,441	31,956	976	1,735
Sheffield	25,180	65,088	14,913	3,658	16,965
Shrewsbury	471	19,645	13,906	5,171	8,975
Tamworth	1,047	5,082	15,807	1,157	5,895
Wellington	699	3,578	6,853	3,027	2,060
Wern	3,801	13,249	12,036	2,743	7,150
Whitchurch	1,526	4,496	27,431	1,858	8,325
Worcester	4,901	30,206	27,428	1,721	4,000
Wrexham	2,269	8,039	12,848	1,377	10,380
Total at Branches, £.	303,859	850,347	640,639	86,430	250,165
Head Office, Manchester	281,966	511,037	229,196	13,417	48,205
In all £.	585,825	1,361,384	869,835	99,847	298,370

OBSERVATIONS ON THE FOREGOING ACCOUNT:

No. 1. *Bills and Notes.*—This amount, 585,825 *l.*, includes a considerable proportion of bills and notes which are not negotiable, being domiciled in Manchester, Liverpool and other places.

No. 3. *Deposits and Credit Balances.*—About one-third only of the amount stated is composed of deposits, properly so called, the remaining two-thirds being balances at the credit of parties keeping active accounts with the bank, and which might be deducted from the amount stated in column No. 2.

No. 4. *The Amount of Cash in hand* is exclusive of a credit of 50,000 *l.* for Manchester, and a similar credit of 50,000 *l.* for Liverpool, which were not brought into account at the 3d December, otherwise this item would have been 199,847 *l.*

(signed) *James R. Lyle*,
Chief Accountant.

Manchester,
9th December 1836.

WEEKLY ABSTRACT of Business at Head Office and Branches on 31st December 1836.

BRANCHES.	Bills on hand.	Past-due Bills.	Current and Deposit Accounts.		Cash on hand.		Weekly Amount on which Commission will be charged.
			Lent.	Lodged.	Northern and Central Notes.	Gold, &c.	
	£.	£.	£.	£.	£.	£.	£.
Bakewell	-	-	7,229	9,925	2,185	4,581	587
Bangor	507	1,344	9,590	13,552	14,860	1,885	1,400
Birmingham	3,832	17,950	44,332	22,356	10,000	22,434	26,000
Bolton	-	27	12,994	16,022	3,290	1,646	5,080
Bradford	-	-	13,839	476	22,275	1,717	448
Carnarvon	201	1,655	9,014	7,123	5,765	1,606	2,700
Chester	-	60	4,826	2,845	6,905	3,399	1,100
Cleckheaton	705	-	22,018	4,218	6,120	1,826	7,160
Congleton	1,879	-	4,161	9,447	10,965	1,619	3,700
Colne	292	975	14,287	12,109	4,600	1,069	725
Clitheroe	-	-	3,006	8,013	3,000	2,183	600
Denbigh	3,320	984	7,807	3,113	9,465	2,022	2,060
Evesham	2,336	471	15,372	9,670	8,705	1,595	4,500
Halifax	-	431	19,442	2,237	7,150	1,654	2,200
Holywell	5,063	211	10,488	4,077	4,715	1,963	1,850
Keighley	502	44	12,202	7,080	14,395	1,767	6,300
Knutsford	561	59	1,607	19,467	9,570	652	2,000
Leeds	20,928	15,347	111,356	6,567	26,270	27,423	10,920
Leominster	2,695	1,316	5,348	11,076	5,345	4,515	2,600
Liverpool	12,782	13,394	146,406	21,454	1,385	24,848	29,230
Macclesfield	5,243	405	6,043	15,663	6,235	3,305	18,860
Mold	-	-	3,086	2,531	7,785	807	2,600
Nantwich	1,008	618	13,284	58,919	4,070	4,759	12,450
Northwich	70	81	982	17,284	3,625	961	1,652
Nottingham	14,911	6,773	123,913	10,911	21,900	9,780	18,000
Oswestry	1,873	1,476	8,268	6,632	6,915	6,637	2,960
St. Helen's	-	21	8,432	20,761	7,915	1,899	3,940
Sheffield	935	19,896	67,394	10,802	18,620	3,298	9,800
Shrewsbury	173	284	16,833	5,810	10,945	3,951	7,500
Tamworth	113	845	4,011	3,802	8,000	692	11,000
Wellington	866	-	3,294	4,350	4,350	440	2,500
Wern	2,002	-	6,727	7,429	7,880	1,327	3,900
Whitchurch	1,840	-	3,386	20,942	5,435	5,994	1,560
Worcester	6,725	608	17,575	12,733	18,015	5,392	3,600
Wrexham	2,401	157	7,772	7,973	9,470	3,633	2,300
Preston	-	136	2,322	2,459	3,220	738	800
Ormskirk	-	-	-	11,054	2,000	2,022	300
Grantham	-	-	9,100	2,033	7,610	2,440	200
Branches - - £.	93,763	85,568	777,746	412,915	330,955	168,389	215,082
Head office - -	98,915	30,135	333,645	103,695	-	49,402	46,000
TOTAL - - £.	192,678	115,703	1,111,391	516,610	330,955	217,791	261,082

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CIRCULATION.

	£.	£.
Northern and Central Bank of England notes, entered for circulation 31st December 1836 - - - - - - - - -		1,152,945
Whereof unissuable and retired - - - -	639,345	
At Barnett, Hoares & Co. - - - - -	470	
Prescott, Grote & Co. - - - - -	7,660	
Bank of England - - - - - -	13,180	
Branches - - - - - - -	330,955	
		991,610
Circulation - - - £.		161,335

1857. There appears in those two accounts a difference in the mode of arrangement, inasmuch as in the one the bills past-due and the bills undue are stated in separate columns; and in the other, the past-due bills and the undue bills are joined together in one column?—That is so; we discovered that discrepancy upon arriving at Manchester.

1858. Did you receive any explanation of the motive of that variation in the mode of making up and keeping the accounts?—None at all.

1859. Have you a copy of a letter addressed by yourself, on behalf of the Bank of England directors, to the Northern and Central Bank, complaining of some difficulty in getting the accounts rendered in a way they thought satisfactory?—I have.

[*The same was delivered in and read, as follows:*]

"Sir, "Manchester, 31st December 1836.

"In order to avoid any misconception as to the course of investigation into the affairs of the Northern and Central Bank, which has been carried on by Mr. Dobree and Mr. Prescott, on behalf of the Bank of England, and has now been interrupted by you, I am desired to afford the following statement:

"Upon the first application of the Northern and Central Bank for assistance, the extreme urgency of the occasion prohibited that investigation which ordinarily would have preceded the advance; but the Bank, fully confiding in the statements made to them, made the advance, stipulating that a full statement should be furnished of the assets, debts, engagements and liabilities of the Northern and Central Bank, with all such particulars as the Bank of England might require for the elucidation thereof. It is not necessary for me now to state how fallacious the representations made to the Bank proved to be; but in consequence of this the Bank of England, on the second application, determined to send two of its own directors to prosecute the investigation upon the spot. In the course of the inquiries undertaken by Mr. Dobree and Mr. Prescott into the assets of the Northern and Central Bank, it appeared that large debts were due to the company by the directors; and on prosecuting this it was found, that, partly in their own names, partly in the names of connexions or friends put forward avowedly to represent them, there were debts owing by directors to the company exceeding the enormous sum of 200,000 *l.* The principal security for these advances consisted of shares in the Northern and Central Bank; and Mr. Dobree and Mr. Prescott, therefore, felt it their duty to ascertain the existence of these shares; 1st, as a material part of the assets of the bank; and, 2dly, as the fact represented to them, that the directors had agreed to hold their shares, tended to show their own confidence in the undertaking, and therefore to afford some excuse to the directors, in intention at least, in the course they had pursued. On opening this inquiry, however, Mr. Dobree and Mr. Prescott discovered, that, while some of the directors were large shareholders, others had sold the greater portion of their shares, and that others had been buying and selling upon a scale which appeared too nearly to approach a jobbing in the shares of the company. The worst feature of the case however was, that, while the directors had bought in their own names, and added by the credit of their station to the value of shares in the market, sales had been made in the names of third parties, and shares had been transferred to purchasers in the names of persons who were for that purpose merely

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merely fictitious, not having the shares in their names; and these shares, purporting to be transferred by strangers, were written from the accounts of directors: thus falsifying the transfer-book, falsifying the titles of purchasers, and deceiving the public. In following this inquiry, it appeared that 1,120 shares, placed in the names of the directors, were carried to the private ledger, the same book in which part of the enormous advances to the directors had been entered and kept from view. Mr. Dobree and Mr. Prescott, therefore, required to see that book; and not only has that been refused, but you have closed the investigation into the share accounts of the directors. It appears to Mr. Dobree and Mr. Prescott, that the existence of the shares of the directors is most material, as part of the assets of the company; that the accounts in the private ledger are necessary for the elucidation of this and other matters of this inquiry, and they consider the withholding them a breach of the engagement with the Bank of England. In this opinion I entirely concur. Upon the mere verbal construction, I am of opinion that the inquiry must be permitted, and that the particulars called for are strictly within the terms of the agreement; but this transaction cannot be allowed to stand upon so narrow a basis. The Bank of England have come forward upon public grounds to support an institution of such magnitude, that its failure, otherwise inevitable, must have been a public mischief, and they were compelled to do this upon such an emergency as not to allow of a previous investigation; but I insist on their right to every such information as a person in embarrassments must give to the person applied to for assistance,—a full statement of the present situation and prospects of the company; and these can only be ascertained by an unrestricted inquiry into the past transactions of the company. And to avoid any misunderstanding, I think it right to state that I consider the production of the private ledger as now indispensable. It is a mere misapprehension of terms to treat such books as confidential: the private books of a trader or trading company are private from clerks, but it is to such books that reference must be made for the real state of the assets and property of the company; and in the particular case, the book is now known to contain the accounts of very large debts due to the company, which it is necessary and proper to investigate. I have to apologise for the length of this letter; but the importance of this question, in its future consequences, appeared to Mr. Dobree and Mr. Prescott to require that it should be set in its true light.

"I have, &c.

"H. Moult, Esq. "*Jas. Freshfield*, jun."

Chairman of the Northern and Central Bank."

1860. Have you a copy of the letter you received from Mr. Moult in reply to that?—I have.

[*The same was delivered in and read, as follows:*]

"Mr. Moult has received your letter dated 31st December, and sent for Mr. Braidley last night, but found him confined to bed. I am most anxious to have every circumstance fully set forth for the satisfaction of Mr. Prescott and Mr. Dobree, and shall convene an early meeting to-morrow (Monday) for to take into consideration your communication, and will forward without loss of time an answer.

"Broughton, 4 o'clock, 1st January 1837."

1861. Have you also a copy of the observations of the Bank of England directors upon the subject?—I have.

[*The same was delivered in and read, as follows:*]

"From the investigation we have made into the affairs of the Northern and Central Bank, it appears to us that the advances made by that company have been so excessive and made upon such slender security, and its liabilities still outstanding are so heavy, that a very heavy loss must arise in getting in the assets.

"Under these circumstances, considering the position of the directors as themselves large debtors to the company, we are of opinion, that, for the satisfaction of the Bank of England, which has been called on to make so enormous an advance, and will still have to extend this, a committee of proprietors unconnected with the recent administration of the company should be associated with the

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board for the investigation and future conduct of the affairs of the Northern and Central Bank. Such a committee would be attended with the further advantage that it would be enabled to make a report to the shareholders on their affairs at the meeting of the 23d instant. It appears to us that the directors have the power, under the general authority contained in the deed, thus to call for assistance from the proprietors, and it is expressly recognised in the 93d clause.

We now invite the attention of the Board to this suggestion, and call upon them to submit to us the names of six proprietors, not connected with the late administration of the company or with the directors, and not themselves being debtors to the company, from whom we will select three to be associated with the directors as a committee; and we should lay before them, in the presence of the directors, the result of our investigation into the affairs of the bank.

(signed) "*B. Dobree.*
"Manchester, 2d January 1837." "*H. Prescott.*"

1862. After the labours of the Bank of England directors at Manchester were concluded, was there a committee appointed, or a meeting called of the principal shareholders, at which inspectors were appointed?—The Bank of England directors came to the conclusion, that it was necessary to appoint some inspecting body to control the directors of the Northern and Central Bank, and the letter which I have just put in is to that effect. A meeting of shareholders of the Northern and Central Bank was held, without any knowledge on the part of the Bank of England directors, contemporaneously, at which the shareholders appointed four gentlemen to represent them; and hearing that the Bank of England directors expressed their wish to the Northern and Central Bank directors, that those four gentlemen should be authorised to act as a committee of inspection, a meeting took place of the Northern and Central Bank directors, and the four gentlemen were so named as inspectors at the office of the Northern and Central Bank. At that meeting I stated very much in detail, to the inspectors, the result of the investigation that had been made. I stated the accounts of the directors; I gave in a copy of the account in the form in which the Committee have it annexed to that printed paper; I stated the dealings that had taken place in shares, and the other matters mentioned there, but very much more in detail. Mr. Braidley took very full notes during the whole of the time; and, after it was over, Mr. Moult said it was an exceedingly fair statement, and they had no observation at all to make upon it. I asked Mr. Braidley whether he had any observation at all to make upon it, and he said, "No; that the statement was a fair one;" and they then both of them expressed their obligations to the directors of the Bank of England for the pains they had taken; and Mr. Moult said, that he was himself surprised at the temper and forbearance which they had manifested through the investigation.

1863. Mr. *Hamilton.*] The Committee are to understand that the four inspectors were appointed by the proprietors, or by the parties connected with the Northern and Central Bank, without being forced at all upon them by the Bank of England?—Certainly.

1864. Mr. *J. A. Smith.*] Was there a meeting of shareholders, at which certain statements were made to the directors as to the state of the account then outstanding between them and the Bank of England?—While we were at Manchester a statement appeared in the newspapers that there had been a meeting of shareholders, at which it had been represented that the amount advanced by the Bank of England was a certain sum; I forget what that sum was at this moment, but it was very far below the real amount, and we complained of it to Mr. Moult, and Mr. Moult stated that it was a mistake.

1865. *Chairman.*] Was that a verbal complaint?—A verbal complaint entirely.

1866. Did Mr. Moult state that it was a mistake of the report, or a mistake of his own?—A mistake of his own.

1867. He did not state that the report was an incorrect report?—Certainly not.

1868. Mr. *J. A. Smith.*] Was there a repetition of the same mistake at a subsequent meeting?—There was a report of a meeting having taken place on the 23d of January, at which a very erroneous statement of the bank debt was given, and I then called for an explanation of the fact. It was stated that the bank's uncovered

uncovered debt did not exceed 200,000*l.*; and the answer given was by Mr. Lyle in writing, that Mr. Braidley had made the statement by mistake, without referring to the proper party for information. The actual amount of the bank's uncovered debt at that time amounted to nearly 500,000 *l.*

1869. You have already stated that you were present in London at the several applications made by the Northern and Central Bank to the Bank of England for assistance?—I was.

1870. Should you consider anything that dropped likely to convey an impression to those Northern and Central Bank directors, that the amount of assistance to be given was a matter of indifference to the Bank, or that the Bank would be glad, supposing the security to be satisfactory, if the amount was even larger than that which was mentioned as being the probable amount of assistance to be required?—Most certainly not.

1871. Was there, on the contrary, any apprehension expressed as to the largeness of the amount that might be required, or was the possible largeness of that amount mentioned as a reason against granting any assistance at all?—That point was discussed at considerable length; but the Bank repeatedly refused to interfere, except it could be done effectually. Mr. Braidley's application was made for 100,000 *l.*, and the Bank required to be satisfied that any sum that was taken should be sufficient; and it was with a view to that, that the account of the deposits in circulation, stated in that printed paper, was furnished. It certainly was stated to Mr. Braidley, that no advance could be made by the Bank of England, unless it was effectual for the whole purpose; and therefore it was no use giving assistance to the amount of 100,000 *l.*, if half a million was necessary; but that the Bank of England would give assistance to the amount of half a million, if required.

1872. Was there any expression of opinion on the part of the Bank, that the contingency existing of a very large advance being required was an obstacle against any assistance at all being given?—There was; but the Bank was satisfied, upon the statement given, that the advance required could not exceed 400,000 *l.*

1873. Mr. *Clay.*] Is it not a fact that the directors of the Northern and Central Bank, or the officer acting in their behalf, who is directed to be the person to be sued by the Act of Parliament, has given judgment to the Bank for a certain sum?—That is so.

1874. What is the amount of that sum?—One million.

1875. Under what circumstances, or at what period, is it understood that the Bank are to put it in force, if necessary?—The Bank's advance is made for six months.

1876. Previously to the expiration of which time it is understood that that judgment is not to be put in force?—Certainly.

1877. At the end of that time the Bank will use it to re-indemnify themselves for any sum which they may yet be in advance to the Northern and Central Bank, beyond the liquidation of the securities which they hold?—That is so.

1878. Mr. *O'Connell.*] That is, they may use it if they think fit?—Yes.

1879. Would not the proceedings upon that judgment be this, that you may issue execution against the public officer of the company at once, and you may, by filing a suggestion against any other shareholder make him party to the judgment and issue execution against him?—Precisely so.

1880. That suggestion is one to which no defence can be made?—None at all.

1881. Then you have this authority for the Bank, that you can, after the expiration of the six months, with facility issue as many executions as you think fit against such shareholders as you may select?—Precisely so.

1882. Against every one, if you please?—Yes.

1883. And in that you will be regulated principally by the desire not to create unnecessary expense?—Certainly.

1884. Mr. *Clay.*] What is the amount that the Bank of England is at present in advance?—The advance of the Bank at this moment is 1,300,000 *l.*

1885. What is the uncovered advance, that is, uncovered by any bills or notes

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placed in the hands of the Bank of England?—£. 325,000, besides acceptances with Messrs. Prescott & Co. for 50,000*l.*, which the Bank have guaranteed.

1886. Of the bills and notes placed in the hands of the Bank, have any yet been dishonoured?—A considerable number have not been paid when due.

1887. To what amount?—About one fourth of the whole.

1888. What is the amount of the whole?—Bills now held, 906,000*l.*

1889. Mr. *J. A. Smith.*] Have you any account of the progressive state of the accounts between the Northern and Central Bank and the Bank of England, from the commencement of December up to this period?—Yes, I have; here is the statement [*producing the same*].

[*The same was delivered in and read, as follows:*]

PROGRESSIVE STATEMENT of Advances by the Bank of England for the Northern and Central Bank, and of Securities.

		Bills and Notes discounted.	Short Bills and Notes discounted.	Uncovered advance.	Acceptances of Prescott & Co.
		£.	£.	£.	£.
December	3 - - 1836	211,874	100,124	111,750	10,587
	10 - - —	461,874	224,792	237,082	35,836
	17 - - —	553,574	295,875	257,699	64,155
	24 - - —	729,074	416,808	312,266	83,483
	31 - - —	818,074	513,324	304,750	94,195
January	7 - - 1837	1,020,324	657,000	363,624	85,920
	14 - - —	1,109,619	727,608	382,011	83,793
	21 - - —	1,208,706	769,803	438,503	81,106
	28 - - —	1,326,890	769,258	557,632	77,121
February	4 - - —	1,353,649	832,380	521,269	73,137
	11 - - —	1,367,687	852,586	515,101	69,246
	18 - - —	1,361,308	856,846	504,454	63,543
	24 - - —	1,324,397	1,032,362	292,029	55,545
	25 - - —	1,316,693	1,012,185	304,508	53,405
March	4 - - —	1,302,145	976,808	325,337	49,171

1890. In the statement which has been furnished by the Bank of England to the Committee, it is stated that, under date of the 3d of January of this year, the board of directors were in debt to the Northern and Central Bank 255,856*l.* It appears also that the clerks were in debt at the same period 13,975*l.*?—Yes.

1891. Whatever securities were in possession of the Northern and Central Bank were handed over to the Bank of England?—

1892. Can you furnish the Committee with a statement of any securities that may be held by the Bank of England on behalf of the Northern Bank for the sums so advanced to the directors, and to the clerks of the Northern and Central Bank?—Yes, I can furnish a statement of all that were handed over to us.

1893. Mr. *Jephson.*] There is a note appended to this account, signed by Mr. Lyle, the accountant, under the head of bills and notes. "This amount of 585,825*l.* includes a considerable portion of bills and notes, which are not negotiable, being domiciled at Manchester, Liverpool, and other places." Does that amount of 585,825*l.* include also the past-due bills held by the bank?—It does.

1894. Was there not a large proportion of this 585,000*l.* which was not negotiable, and which the accountant must have known not to be negotiable, from not having been able to collect it in before?—There was about 100,000*l.* of that which was over-due. I know that it comprised all the over-due bills from the commencement of the bank.

1895. Mr. *J. A. Smith.*] Upon a large proportion of which dividends had been received?—Yes.

1896. And the residue of which might be considered nearly valueless?—Yes, that was so; we examined that account very carefully.

1897. *Chairman.*] Before the Bank of England acceded to the request of the Northern and Central Bank, a letter was signed by Mr. Braidley and Mr. Evans?—It was.

1898. Was that letter read over to them before they signed it?—Yes, distinctly.

1899. Was any objection made to that letter?—None at all.

1900. Was

1900. Was that a letter framed in conformity with the conversation that you had had with them?—The first thing said to them was, that the Bank of England would not make any advance except in a case of absolute necessity, and that they must clearly understand that the Bank of England's assistance would become known; and therefore they had better, if they could by any possibility go on without it, avail themselves of the common channels of procuring money. Upon that they withdrew to consider whether or not they would prosecute the advance. That was the first thing in the morning, and they ultimately came back and said they were prepared to apply to the Bank as in a case of urgent necessity. That was the first thing that passed.

1901. Did they state that the necessity was such that the bank would stop payment if the advance was not made?—I do not think they did. They stated that 100,000 *l.* would, as they believed, carry them over that week, and that, supposing no run or discredit to arise, they thought they could go on; but, as they were already discredited by the loss of the parcel on the previous day, they could not judge of what might be the effect of that; but they had no reason to anticipate otherwise that they should be under the necessity of stopping payment.

1901*. Is there anything further which you think it material to state to the Committee?—I think it due to Mr. Fernely to lay before the Committee an explanation which he has sent with regard to his transactions with the Northern and Central Bank.

[*The same was delivered in and read, as follows:*]

" Sir, " Manchester, February 5, 1837.

" I now beg to enclose an explanation of the circumstances connected with the appropriation of the 335 shares. I have extracted it from a statement I had previously drawn up which refers to some of the charges brought against the directors of the Northern and Central Bank. You will observe that the 110 shares there declined form the balance of 1,248 *l.* purported in the account rendered yesterday to be owing by me in the name of Mr. John Westhead. At the time I declined them the shares were selling at about 5 *l.* premium; the dividends due upon them are still in the bank. I may state that all my shares were paid for on or before the 20th August 1836, and that from that time I have not owed the bank anything on share account; that my private account has almost uniformly been in my favour, and that on one deposit account, which I was the sole means of bringing to the bank, there has been during nearly the whole of my connexion with it a balance in the hands of the bank of from 4,000 *l.* to 8,000 *l.*

" I have, &c.
(signed) " *John Fernely.*"

" J. Reid, Esq."

Copy Statement.

" Many of the shares appropriated either on the formation of the company, or at different times subsequently, not having been taken up by the individuals to whom they were allotted, it became a question, I believe, at the latter end of 1835, how these shares should be disposed of. It was proposed that they should be appropriated to the directors; the supporters of the proposition arguing not only that the interest of the bank would be promoted, by showing at the succeeding annual meeting that that additional number had been allotted by the bank, but also that the directors had exerted themselves so diligently and efficiently in behalf of the bank that they were entitled to some additional benefit, and the more so, as they had run the risk of the first allotment of shares. I was the only director of those present who opposed this proposition; but I did oppose it on two grounds: the first, that the shares belonged to the company, and should not therefore be retained by the directors for their private benefit; and the second, that each director had already received shares in consideration of his three years' term of service. The arguments on the other side of the question were, however, pressed upon me, and I may be said to have in some measure yielded for the time, though I did not vote for the motion. In consequence of this resolution, 335 shares were allotted to each director. Some weeks afterwards, when I received my bank-book, I discovered that 110 more shares were placed to my debit, and, on inquiring, I found that

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the same number had been placed to the debit of each director. As I was totally ignorant of this appropriation, not having been present at the board when it was determined upon, I immediately spoke to the accountant and chairman, and told them that I could not take these shares. All this time I felt increasing and at length insuperable objections to continue to hold the 335 shares, and I ultimately mentioned the subject to the chairman, and stated my desire to return the shares for the benefit of the bank. At this time they were selling freely at from 5*l.* to 6*l.* premium. In reply the chairman told me that, as all the directors were on a footing, the shares could not be taken back, but that, if I felt dissatisfied, I might sell the shares and hand over the proceeds to the bank. Anxious to avoid collision with the board, I adopted this course, now first pointed out to me, and that at the time when the shares were selling at from 4*l.* 15*s.* to 5*l.* premium. The shares were sold; and on the 14th September I sent a letter to the chairman of the directors enclosing a cheque for the amount of the proceeds, of which the following is an extract:

"My dear Sir, "Manchester, September 14th, 1836.

"You will recollect, from conversations I have had with you with reference to the appropriation of the extra shares to the directors, that I have always viewed with some degree of doubt whether or not it was right for me to take them. Since the last opportunity, I have frequently adverted to the same subject, and also to another in connexion with it: I allude to the 1*l.* which was placed as a value upon all the unsold shares. When this was determined upon, I confess very excellent arguments were adduced in favour of the proposal, and I am bound also to say that the motives and views of those of the directors who advocated it have been hitherto fully realised in the increasing prosperity of the bank. On reviewing, however, the arguments, I cannot satisfy myself as to their validity; and as I am conscious that the directors cannot now retrace this step, nor indeed would I wish again to moot the point before the board, the only point therefore I can adopt under the circumstances, and with my perhaps peculiar views, will be to give up to the bank the profit arising from the sale of the 335 extra shares, provided that the sum so received be kept as a reserved fund against the amount on the unsold shares until they are all sold off.

"With regard to the 110 shares which were afterwards added, I beg to say that, for the reasons before assigned, I must decline receiving them, as I have before informed you. I would suggest, however, that the profit when sold, or dividends arising from them in the meantime, be applied to the same fund as the 335 shares.

"Having already sold the 335 shares, I beg to enclose a cheque on my account for 1,196*l.* 14*s.* and shall hold myself ready at a future time to pay over the balance to the bank of the difference between the interest allowed and the dividends already received.

"I am, my dear Sir, your's, &c.

"Henry Moult, Esq. "*John Fernely.*"

"Chairman of the Directors."

"Some explanation may be required of that part of the above letter which stipulates that the amount of the cheque should be kept 'as a reserved fund against the amount on the unsold shares until they were sold off.' The facts are these: a large number of shares had never been appropriated, and on these shares the directors had determined, in the beginning of 1836 (I believe), contrary to my declared opinion, to put a nominal value of 1*l.* a share, thus creating a large fictitious addition to the real surplus fund of the company. Considering that this was wrong in principle, I did what I could to prevent any evil, by making the stipulation referred to. On the 15th of September, I saw the chairman, and gave my letter, dated 14th September, into his hands, at the same time explaining its contents. He said that, as chairman, he could not accept it; but that he would summon a special board to consider it. He added, in the course of conversation, that he did not know what was the opinion of the directors, but that the whole question would be raised when my letter was read. I was never summoned to any special board upon the business, nor was the question ever mooted at any meeting at which I was present; but, on September 17th, in compliance with the request of the chairman, I met him and the deputy-chairman at the bank, and had a long conference with them. They urged, with great earnestness, the former arguments in favour of appropriating the

the extra shares to the directors, and in conclusion, begged me to withdraw my letter. I saw that I was reduced to the alternative, either of direct rupture with the board, at a period when, as every one will be satisfied, unanimity was essential to the prosperity, I might almost say, to the existence of the bank, or of delaying to insist upon the acceptance of my letter and cheque until a more favourable opportunity should arrive, probably the time when I should go out of office, on the completion of my term of service as a director. I chose the latter course; but I have always considered myself bound to return the money, and shall feel relieved of a burthen upon my feelings, as well as a possible reproach upon my character, in paying it over to the benefit of the bank, so soon as I shall be advised that I may safely do so."

J. W. Freshfield, jun., Esq.

10 March 1837.

Veneris, 17° die Martii, 1837.

MEMBERS PRESENT.

The Right Hon. the Chancellor of the Exchequer.	Sir James Graham.
Mr. Clay.	Mr. Hamilton.
Sir Thomas Fremantle.	Mr. Jephson.
Mr. Goulburn.	Mr. Loch.
	Sir John Wrottesley.

THE RIGHT HON. THE CHANCELLOR OF THE EXCHEQUER,

IN THE CHAIR.

Mr. *James William Gilbart*, called in; and Examined.

Mr. *J. W. Gilbart.*

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1902. *Chairman.*] YOU are connected with the London and Westminster Bank?—I am.

1903. What office do you fill in it?—I am the general manager.

1904. Have you been long conversant with banking operations?—Yes, three or four and twenty years.

1905. Where did you first become acquainted with the practical principles of banking?—In a London banking house, Everett, Walker & Co.

1906. After you quitted them, in what banking establishment did you become a manager?—I then became a manager of the Provincial Bank of Ireland.

1907. How long were you connected with the Provincial Bank of Ireland?—About six years and a half.

1908. What banks of theirs did you manage?—First at Kilkenny and afterwards at Waterford.

1909. Were you the first manager of the bank at Kilkenny?—The first at Kilkenny; there was no bank there when we opened.

1910. Therefore you were acquainted with the proceedings of the Provincial Bank of Ireland from the time of the opening of the Bank of Kilkenny till your connexion with that establishment ceased?—Yes.

1911. At what period did you begin your connexion with the London and Westminster Bank?—In the latter end of 1833.

1912. Was that immediately upon your leaving the Provincial Bank?—Immediately on leaving; I left on purpose to join the London and Westminster Bank.

1913. The London and Westminster Bank is not an issuing bank?—No, it is only a bank of deposit.

1914. Has it a connexion with many of the existing joint stock banks?—Yes, we have 16 country joint stock banks connected with us.

1915. Will you state the names of the joint stock banks with which you are at present connected?—I have a statement of them which I will deliver in.

[*The Witness delivered in the same, which is as follows:*]

Mr. *J. W. Gilbart.*

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No.	NAMES OF THE BANKS.	Head Office.	Number of Branches.	Date of Registry.
1	Cheltenham and Gloucester Bank - -	Cheltenham -	1	19 May 1836.
2	East of England Bank - - - -	Norwich -	25	27 Feb. 1836.
3	Herefordshire Banking Company - -	Hereford -	5	1836.
4	Leicestershire Banking Company; 15 March 1836.	Leicester -	4	28 Aug. 1829.
5	Leamington Bank; 4 April 1836 - -	Leamington -	none	8 May 1835.
6	Lichfield, Rugeley and Tamworth Banking Company; 1 January 1837.	Lichfield -	3	21 Nov. 1835.
7	Northamptonshire Banking Company - -	Northampton	5	13 May 1836.
8	Newcastle-on-Tyne Joint Stock Banking Company.	Newcastle -	none	27 June 1836.
9	National Provincial Bank of England; 8 April 1835.	London -	15	27 Dec. 1833.
10	North and South Wales Bank - - -	Liverpool -	23	30 April 1836.
11	Oldham Banking Company - - -	Oldham -	none	1836.
12	Royal Bank of Ireland - - - -	Dublin - -	none	1836.
13	Sunderland Joint Stock Banking Company -	Sunderland -	none	1836.
14	Wilts and Dorset Banking Company - -	Salisbury -	22	11 Jan. 1836.
15	Western District Banking Company - -	Devonport -	7	1836.
16	Yorkshire Agricultural and Commercial Bank	York - -	6	1836.

1916. In the paper which you have put in you have added to the names of the bank and to the place at which the head office is established the date of the registry of the bank; is that the date at which it was established, or the date at which your connexion with the bank commenced?—It is the date of the registry at the stamp-office.

1917. Could you inform the Committee of the date at which the connexion began between those several banks and the London and Westminster?—In the instances of the banks that came to us from other London bankers, I have placed the date at which they came to us; in other cases we presume that their connexion with us was about the time of the registry. There are five of those banks that came to us from other bankers.

1918. In this list there does not appear the Northern and Central Bank?—We consider that that has ceased as far as we are concerned; they closed their connexion with us when the Bank of England gave them accommodation: it was one condition of the Bank of England giving them assistance, that they should cease to employ us as agents.

1919. How long was the London and Westminster Bank in connexion with the Northern and Central Bank?—The connexion by agreement was to commence from the 1st July last. We did some little business previous to that; the agreement was entered into in January, and one condition of the agreement was that we should have the agency on or before the 1st of July following.

1920. Can you inform the Committee what were the conditions of the agreement made between you and the Northern and Central Bank?—One condition was, that in case of emergency we should advance them 50,000*l.* and come under acceptance to 100,000*l.* without cover.

1921. That is, an entire advance to the extent of 150,000 *l.*?—In case we had paid their acceptances, but the agreement was that they were to pay the acceptances when they became due. Our advance was only 50,000 *l.*

1922. When were you first made aware of any pressure existing upon the Northern and Central Bank?—The account became unsatisfactory to us in the month of August.

1923. How did the pressure exhibit itself?—By their wishing to overdraw their account; they claimed the 50,000 *l.* which we were to advance in case of emergency, contending that the emergency had arrived.

1924. Did they make any statement to you of the causes which had produced it?—They attributed it generally to the pressure upon the money market.

1925. Was there any considerable pressure in the month of August felt in the money market generally?—Yes, the pressure began in July; the Bank of England raised the rate of interest to 4½ in July.

1926. At that period was there any difficulty in obtaining money upon stock, or

or disposing of stock at an adequate price?—There was no difficulty in obtaining money upon stock at that time.

1927. Was not there a continued facility of obtaining money upon stock long after the pressure had shown itself in the money market, as shown by the difficulty of procuring discounts upon commercial paper?—I do not think there was any difficulty in getting money upon stock at a certain rate of interest; but you could not get so high a rate of interest as upon bills.

1928. Therefore there was a much greater facility of obtaining money upon stock, than there would have been upon commercial paper?—Yes.

1929. Was the Northern and Central Bank at that time in possession of any funded property or Exchequer bills?—I never heard that they were.

1930. Had a great proportion of their capital at that period been available by being vested in stock or in Exchequer bills, do not you think that the pressure of which they complained would have been very much mitigated?—Certainly, so far as they were concerned.

1931. Did the London and Westminster Bank grant to the Northern and Central Bank, at the time of their application in August, the extended accommodation they required of 50,000 *l.* advance?—Yes, it was about that time.

1932. Did you take any steps to acquire an insight into their mode of doing business, and into the nature of the transactions of the Northern and Central Bank?—No; we had no knowledge of the internal affairs of that bank.

1933. Were you at that time under engagements for them to the extent of 100,000*l.* acceptances, as well as the 50,000 *l.* advance?—I could not speak exactly to the time, but I rather think we were, or soon afterwards.

1934. Being under engagements to such an extent, had you no power of investigating the state of their affairs, and ascertaining whether they were based upon such a prudential system of management as would secure you from loss?—We did not require it: I do not imagine they would have refused if we had required it; but we knew there was 800,000 *l.* paid-up capital, and about 1,200 shareholders. We had seen the list of their shareholders, and knew they were, many of them, persons of property.

1935. It was therefore upon the principle of joint stock banks, the amount of supposed capital paid up and the number of shareholders, that you relied for ultimate security?—Yes.

1936. Before you entered into such a large transaction with the Northern and Central Bank, had you considered their deed of settlement, and the principles by which they were bound together as a joint stock company?—I think we had a copy of their deed, but I do not think it was ever considered with a view to that particular transaction.

1937. You were not aware at that time that any portion of that apparently paid-up capital had not, in point of fact, been paid up at all?—No, certainly not. We supposed that the whole was paid up.

1938. Had you been aware that debts had been contracted by the directors themselves to the bank, to a very large extent, and that what was nominally paid-up capital had been paid up by advances from the bank itself; do you consider that that would have varied the decision of the London and Westminster Bank, as to the amount of accommodation which they should give?—Yes, I think it certainly would.

1939. Will you state what occurred between you and them, from the month of August up to the period at which their greater difficulties commenced?—The business went on as usual, except that we frequently had occasion to write to them at Manchester respecting the state of their account.

1940. What answer did they give?—The answer they gave was, that the account would be in a better state shortly; that it was on account of the pressure in the money-market, and they were calling in their transactions.

1941. How did they represent, or how did you anticipate they could improve the state of their account?—I supposed they would do it by drawing up the overdrawn accounts. We knew from the published report that they had advanced considerably upon overdrawn accounts, and had they commenced drawing them up in time they might have met their engagements.

1942. Do you consider that the overdrawn accounts of a bank can be safely and

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and practicably made applicable to the discharge of the engagements which they have contracted?—Very seldom immediately, particularly in the case of advances in manufacturing towns.

1943. Then, do you consider it essential that a bank should have some reserve applicable to periods of pressure?—Yes, certainly.

1944. In what securities do you consider that that reserve ought to be invested?—In securities immediately available. Government stock, or Exchequer bills, or India bonds, or perhaps first rate commercial bills.

1945. When were you first made aware of the increasing necessities and difficulties of the Northern and Central Bank?—The latter end of November, or the beginning of December.

1946. Was that communicated to you by letter, or did any individuals connected with the Northern and Central Bank apply to you personally in London?—One of our directors went to Manchester upon the subject, and the account was not very satisfactory to him.

1947. When was that?—I think it was the latter end of November; a few days afterwards the manager came to town, and I think the agreement with the Bank of England took place upon the 3d of December. He had previously applied to us for assistance to a greater extent than we would give; his application to the Bank of England was in consequence of our refusal.

1948. Did your director make you any written report upon the affairs of the Northern and Central Bank?—He wrote us a report upon the balance sheet, which they showed him.

1949. Who was the director?—Mr. Holford.

1950. Have you got that letter?—I have it not with me; I fancy it is at the bank.

1951. Was Mr. Holford allowed an inspection of their accounts and books, and a verification of the balance sheet?—I cannot speak to that; he gave us the balance sheet, but whether he inspected the books I do not know; I should rather think not; it would not be an usual operation.

1952. Will you be so good as to furnish the Committee with a copy of the balance sheet which was communicated to Mr. Holford?—I am not sure that I can do it now, but if I can, I will send it.

1953. Are you aware whether Mr. Holford or the London and Westminster Bank were at that period apprised of a secret ledger being kept by the Northern and Central Bank, in which certain transactions between the bank and the directors were entered?—No, we knew nothing of it.

1954. You have heard of such a transaction since?—Yes, I have heard of it by general report; I have no personal knowledge of it.

1955. It never was communicated to you, although you were their principal correspondent in London?—No; we should not expect anything of that sort to be communicated to us.

1956. Were you acquainted with the circumstances of a distribution of shares which took place from the London and Westminster Bank to the Northern and Central Bank?—Yes, we gave them 2,000 shares when they appointed us their agents.

1957. Was that transaction one that was carried on in writing?—Part of it was, and part of it was not.

1958. Can you inform the Committee of the particulars of that transaction?—After a conversation I had with Mr. Cassels respecting our account, the directors at Manchester wrote to me, requesting that I would go down to negociate the agency with them; and that letter stated that 1,000 shares must be given to the bank. I cannot recollect the phraseology; I cannot find the letter; but there was an application for 1,000 shares in some form or other.

1959. In what month was that?—In the month of January, 1836. They did not state in what way the shares were to be applied; and the impression upon our directors was, that the shares were to be distributed to persons that kept accounts with the Northern and Central Bank, because we were aware that that was the practice in other cases in which such shares had been distributed. Our directors were very well satisfied to give the shares at that time, for the shares had been for a considerable time previous at 2 to 4 per cent. discount, and had just

just got up to par; they were at a half premium; and the directors authorised me to give 2,000 shares instead of 1,000, in case I should see it expedient to do so. When I went down, I asked how the 1,000 shares were to be disposed of; they stated that they were for the directors themselves, and therefore it was part of the agreement that the directors were to have 1,000 shares. I then mentioned that they could have 1,000 shares more if they thought proper, to distribute among other parties in such a way as might be useful to the London and Westminster Bank. That part of it was not in writing, but they subsequently wrote to us in the month of February, asking to have that portion of our offer ratified in writing, and we did so. In a letter, which I have here, we authorised them to distribute 1,000 shares to such parties as might be useful to the London and Westminster Bank. In the month of May they sent us up the names of the parties in which those 2,000 shares were to be placed, and we found that the whole of them nearly were the names of directors. The directors of the London and Westminster Bank did not think it quite regular that the whole of the shares should be put in the names of directors, but we made no remonstrance, and they were put in those names.

1960. Will you read the copy of the letters?—The first is a letter which I wrote when I was at Manchester: "Northern and Central Bank, Manchester, January 12th, 1836.—I beg to inform you that the directors of the London and Westminster Bank have placed at your disposal 1,000 shares in their stock, provided they be taken and paid up on or before the 1st July 1836, and interest on the payments at five per cent., to be paid from the first day of this month; such shares to be entitled to such dividend as may be declared upon the transactions of the year commencing 1st January 1836." Then, with regard to the second 1,000 shares, we had from Manchester a letter from the directors of the Northern and Central Bank, Manchester, February 10th, 1836.—"We have your favour of the 27th ult.; the contents are duly noted. The purport of this is to request you will give our directors the written authority of your board for them to allot 1,000 shares in your bank at par, as was verbally agreed upon when you were here, amongst such parties as they considered most likely to benefit your bank either by their business or influence, for they have already spoken to several of them, and it would be very unpleasant if any misunderstanding should hereafter take place respecting the distribution of these shares on the same conditions as the 1,000 shares for the directors of this bank, your letter on this subject referring only to the latter." This is a copy of my letter in reply to the directors of the Northern and Central Bank of the 17th February: "Gentlemen,—In reply to your favour of the 10th instant, I beg to inform you that our directors have placed at your disposal for distribution amongst such parties as you consider most likely to benefit our bank, 1,000 shares of this bank at par, subject to the same conditions as the former 1,000 shares assigned to you in my letter of the 12th ult."

1961. What were the prices of your shares at the time of this distribution?—About 10 *s.* premium; but they had risen rapidly from 2 *l.* discount, so that they were rather a favourite investment at that time.

1962. Is this the only distribution of shares which you have made in respect to any of the banks that are corresponding banks with you?—No; we gave 500 shares to another bank upon the same terms of having their business.

1963. * * * * * * * * * *

1964. Do you know how the distribution of those shares took place; whether amongst the directors, or in any other way?—No; we placed them at the disposal of the directors, and how they were distributed we do not know.

1965. Will you state what is the course generally taken by the London and Westminster Bank upon an application from any of those banks to open an account with you?—We give them a statement of our terms, and then we have a written agreement on those terms.

1966. Do you make any inquiry with respect to the character and the abilities of the persons who are concerned in the management?—Yes, we make every inquiry about them, and we generally get a list of the shareholders.

1967. Did you make any such inquiry with respect to the character and experience of the persons concerned in the management of the Northern and Central Bank?—We knew them only from general report.

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1968. Do you take any legal opinions on their deeds of settlement before you open an account with them?—No, never.

1969. Do you make any distinction between those banks which have a large establishment of branches, and banks which have only a few places of issue?—No, we take them all upon the same terms.

1670. Are those printed terms?—No.

1671. Do they vary, or are they, generally speaking, the same?—We do vary the terms according to the extent of the business of the bank.

1972. Will you state the general principles of the terms?—We leave the bank either to pay by deposit or by commission, or by a fixed sum; but in almost all cases they choose to pay by a commission of so much per cent.

1973–1975. * * * * * * * * *

1976. You have described the process by which, in two instances, shares in the London and Westminster Bank were given to two of the joint stock banks; has the London and Westminster Bank taken shares from any of those banks?—No, never.

1977. Do you invest any of your capital in the shares of those banks?—No.

1978. Do you consider that that would be a species of investment which it would be safe or prudent for a well-managed bank to make?—I should think it would be very safe; but I do not think it would be an eligible mode of investment for any portion of our funds.

1979. Would it be immediately available in a time of emergency?—No; those shares are not transferable in London, and we should not make any investments that could not be realised in London.

1980. Had you any connexion with the Agricultural Bank of Ireland?—Yes, we were their agents.

1981. Can you state what were the conditions of your arrangement with them?—We agreed to let them overdraw to the extent of 30,000 *l.*

1982. Has that account been closed?—Yes, the account is closed and paid.

1983, 1984. * * * * * * * * *

1985. Mr. *Clay.*] Did the Northern and Central Bank require an advance of money from you immediately on becoming connected with you?—No; our agreement was, that it should be required in a case of emergency. The rate of interest was raised in July, and I think they required an advance in the month of August.

1986. What had been the nature of the business you transacted for them previously?—They drew bills upon us, and we paid the drafts made payable upon their account; and the acceptances of persons who lived in Manchester.

1987. What was the nature of the remittances which they sent you against these payments?—Chiefly bills.

1988. What was the nature of those bills?—Bills drawn by people in Manchester upon certain persons residing in Manchester and London and elsewhere.

1989. Were the majority of them bills drawn in Manchester upon persons also residing in Manchester?—A good many of them were of that class; I do not say the majority.

1990. What could be the nature of those bills drawn by persons in Manchester upon persons also residing in Manchester; did they appear to you, as a gentleman having a general knowledge of business, in the nature of what are called accommodation bills?—No, I think they were all business bills.

1991. Have you any impression as to what operations they originated in?—No; Manchester is a large place, and there is great internal trade in Manchester.

1992. Were the bills drawn by merchants, importers of produce, upon the manufacturers?—I suppose they would be of that character, some of them; but not knowing the people, I could not say.

1993. Did you exercise any judgment upon the nature of the bills, or take them wholly upon the credit of the indorsement of the bank?—We took them upon the credit of the indorsement of the bank, and also presuming that they knew them to be good.

1994. Were they bills to a large amount?—Various amounts.

1995. Do

1995. Do you recollect the amount of any of them?—I think there might be some to the amount of 5,000 *l.*; the range would be from 100 *l.* to 2,000 *l.*

1996. What was the nature of the bills drawn from Manchester?—Bills drawn, I presume, against cotton upon houses here in London, but as I did not know the names of the parties nor the business, I could not judge what they were drawn against.

1997. What was the amount of your advance to the Northern and Central Bank in August?—I think we went to the 50,000 *l.* in August, but I could not speak decidedly without reference to the books.

1998. What has been the maximum of your advance to them at any one time?—I could not answer without reference to the books.

1999. Was that the period of your largest advance when you declined to advance any more, and they applied to the Bank of England?—I could not speak decidedly.

2000. What was the amount of your advance at that time?—I could not tell without reference to the books.

2001. It was in November that they applied to you for a further advance, and you declined to give it?—In the latter end of November.

2002. What reason did they assign for coming to you for a further advance, after being already in advance to so great an amount?—The reason at that time was, because they had lost the bag containing a large amount of securities.

2003. When they found it, did they come to you again?—No; they had opened a communication with the Bank of England before they found it.

2004. Are you aware that previously to their losing that parcel they had found any difficulty in raising money in London?—Yes, the Bank of England had always thrown out their bills, and in consequence of the pressure upon the London money market the bill-brokers did not like to take their bills, knowing that the Bank of England would not take them again. In the months of April, May and June the bill-brokers were urging the Northern and Central Bank to take money from them, money was so abundant; but when the pressure began, and they found the Bank of England would not take those bills again, then the large bill-brokers refused to take them from the Northern and Central Bank.

2005. Not from any doubt of the solvency of the Northern and Central Bank?—No; but knowing that they could not re-discount them with the Bank of England.

2006. During the last autumn were there many periods when there was a considerable difficulty in getting good bills discounted?—Yes.

2007. During how great a portion of the last autumn has there been a difficulty of that kind?—I could not speak exactly to the portion; it has taken place at particular seasons when there has been a difficulty in getting first-rate bills done except at an advanced rate of interest; but if the bills were good, and it was known that the Bank of England would take them again, then they would pass; but the Bank of England would never take any bill indorsed by a joint stock bank of issue, consequently many of those bills could not be done except at an advanced rate of interest.

2008. Do you mean to say, that with respect to bills unexceptionably good in themselves, with respect to which a bill-broker would have no hesitation, that even those bills were difficult of discount if it was known that they had the indorsement of a joint stock bank of issue?—Yes; it is known to be the rule that the Bank of England will not discount bills which have the indorsement of any joint stock bank of issue, and instances have occurred of the acceptances of the first bankers in London being refused on that account.

2009. You stated that one reason why you advanced freely to the Northern and Central Bank was, because you were aware that it had a great many wealthy proprietors, and because you knew they had a great amount of capital; did you inquire how that capital was vested or employed?—No.

2010. You did not inquire whether they had any stock, or that species of security which you think necessary for a bank to possess?—No.

2011. You were satisfied with the solvency of the bank from the number of wealthy shareholders?—Yes; the number of wealthy shareholders, and the amount of paid-up capital, and the prudence which we thought existed in the management.

2012. Your reason for not looking more narrowly into this matter was, that you

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you were satisfied of the wealth of the shareholders, and the ultimate solvency of the bank?—Yes.

2013. But supposing the shareholders had not been responsible, what should you have done then, when you found them getting so large an advance as 50,000*l.* or 100,000*l.*?—We should not have been so willing to trust them.

2014. Should you, in that case, have instituted a more minute investigation into the manner of the investment of their paid-up capital?—It is a hypothetical case, and I hardly know how we should have acted.

2015. Supposing they had applied to you for an advance of 100,000*l.*, and you were aware that the shareholders were not responsible for debts beyond the amount of the capital, and you were aware that the whole capital had been paid up, would you have advanced the money without knowing the state of the assets of the bank?—I dare say we should have been more minute in our inquiries.

2016–17. Would you have advanced the money without knowing that their assets were equal to the debt?—That would depend upon circumstances.

2018. Would you have advanced it if you had doubts upon that subject?—No, not if we had any doubts.

2019. Then you would not have advanced it without such an investigation as would have satisfied you that the assets were equal to meet the loan?—Yes, we should have required to be fully satisfied.

2020. You have said, that you saw the deed of copartnership of the Northern and Central Bank?—I have never read it.

2021. You do not recollect what periods were given for calls of the instalments?—No.

2022. What is the period at which the instalments must be called for in your company?—Three months' notice between each.

2023. *Chairman.*] At the period when the Bank of England raised its rate of discount, did the London and Westminster Bank make any alteration in the terms on which it did business with its customers generally?—They made no alteration in the charge of commission; we raised the rate of interest to the Bank rate.

2024. Was that contemporaneously with the Bank's raising its rate of interest?—Yes, I think immediately.

2025. But as to the terms upon which you transacted the business of your country correspondents in the way of commission, you made no alteration?—No.

2026. Mr. *Hamilton.*] You stated that, from your knowledge of banking matters, you conceive that it is desirable that part of the capital of banks should be vested in public securities: does it occur to you that it is desirable that the whole of the capital should be paid up?—No, I think not; because in case the whole capital is paid up, you have no further call upon the shareholders. If the Northern and Central Bank could have made a further call, they might have got out of their difficulties.

2027. You attribute the difficulties of the Northern and Central Bank in some degree to the pressure upon the money market; do you attribute its subsequent difficulties more to mismanagement?—I attribute them to their having so large an amount of overdrawn accounts, and to the pressure upon the money market.

2028. Do you attribute that circumstance to the anxiety to obtain custom?—I dare say it arose from that circumstance, but it is the established practice in Manchester and in the other manufacturing towns to have very heavy overdrawn accounts; it has been the established practice of private bankers there for many years past.

2029. And you stated that it was the practice of the Bank of England not to take bills of joint stock banks of issue; what do you consider to be the reason of that?—It arises from their hostility to joint stock banks of issue.

2030. *Chairman.*] What do you understand by their hostility to joint stock banks of issue?—They look upon them as rival establishments, and they adopt that as one mode of restraining their operations.

2031. Do you think that at the period when the alteration was made in the rate of discount by the Bank of England, from the state of the exchanges it was absolutely necessary, with a view to the general stability of the Bank, that a restriction should be put upon the amount of circulating paper?—I think the restriction should have commenced sooner.

2032. Did

2032. Did you approve of the restriction when it was put?—Yes, when it was put I think it was necessary.

2033. At what period was it that the Bank of England first declined taking paper, bearing the indorsement of, or drawn by joint stock banks?—I think that was at the beginning of 1836.

2034. Supposing that the Bank of England had taken the paper issuing from joint stock banks, do not you conceive that a greater facility would have been given to the operations of those joint stock banks in the country?—It would have given greater facilities in regard to the bills; I do not know that it would have affected their notes much.

2035. Would it not have given them a greater facility of acquiring capital in London, and thereby of extending their operations in the country?—It would have given them the facility of discounting their bills in London.

2036. That increased facility of rediscounting bills in London would have led to an increased power of transacting business in the country?—Yes, it would have increased their means of doing business.

2037. You having stated that from the state of the exchanges you considered that it was necessary to check the amount of circulation not only when the Bank raised the rate of discount, but even prior; do not you believe that had increased facilities been given to the transactions of the joint stock banks, that operation would have been counteracted?—No; I think if the Bank of England wished to diminish their discounts, they might have done it in other ways than by selecting the joint stock banks of issue, because they discounted most freely for the joint stock banks that did not issue, and that would have an equally injurious effect.

2038. Then you think the connexion which subsists between the Bank of England and the joint stock banks, not banks of issue, has a tendency to increase the general mass of banking transactions, and to add to the circulation in the provinces?—I think very much so.

2039. Will you state how it produces that result?—It increases the amount of notes. The amount of Bank of England notes which they put into circulation is larger than the amount of their own notes, which would be issued by the joint stock banks.

2040. Will you state the reason?—The Bank of England will discount to a much greater amount than the amount of the circulation of a country bank.

2041. The Bank of England give a larger amount of notes than the amount of circulation that would have been issued by the issuing country bank?—Yes, it was stated in evidence before the Committee last year that the Birmingham Banking Company, which had only a paid-up capital of 50,000 *l.*, had an agreement by which the Bank of England would rediscount to the extent of 150,000 *l.* But even if the Bank of England only discounted to the same extent as the circulation of the joint stock bank would otherwise be, even that would put in circulation a larger amount of currency; for if a joint stock bank had a circulation of 150,000 *l.* they must keep a deposit of Bank of England notes or gold at the place of issue, and another at their London banker's, and this might take up nearly one-third of the amount of the circulation; whereas when they issue Bank of England notes they keep no reserve, and therefore the amount of the currency is increased by the amount of that reserve. Another way in which this agreement promotes speculation is by diminishing the rate of interest. The Bank of England discounts at the rate of only 3 per cent. The joint stock bank being able to get money at 3 per cent. will compete against its rivals by discounting at less than the market rate, and consequently its rivals are obliged to discount at the same rate, and that reduces the rate of interest at the places where the banks are established.

2042. Has that been the case practically?—Yes, at Manchester as I have been told.

2043. Have you known of cases in which joint stock issuing banks raising money upon the rediscount of bills in London, have had to pay a rate of interest for those bills considerably exceeding the rate at which the Bank of England furnished money to its correspondents?—Yes, certainly.

2044. What has been the maximum difference that you have known within the last few months, the Bank of England rate being understood to be three per cent?—

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cent.?—The highest rate charged as interest is five per cent.; I have heard that some of the brokers have charged a commission besides during the recent pressure.

2045. Have you any doubt about that?—No; I have no doubt of it.

2046. Have you any doubt that a very considerable interest beyond the five per cent. has been charged through the medium of the commission added to the discount upon the bill?—I have no doubt a very considerable interest in some cases.

2047. Do you think it has been as high as seven per cent.?—Yes.

2048. In the event of a joint stock bank issuing its own paper in the country, having to raise money in the London market at that rate, or any rate approaching to that, how can such a bank enter into a competition with a correspondent of the Bank of England obtaining money at three per cent.?—It cannot enter into competition except by a large reduction of its own profit.

2049. You have stated that the result of this competition is to compel the banks to lower the rate of interest in the provinces below the market rate. Has there been a different rate of interest in the provinces and in London?—There has occasionally; but I think the low rate of interest is not produced merely at the place where the bank is established, but also to a certain extent in London, because those banks which now obtain their discounts at the branches of the Bank of England, would otherwise apply to London and carry off a portion of the surplus capital in London.

2050. Can you state any instances in which the rate of interest has been, within the last twelvemonth, lower in the country than in London?—No; I do not think I can.

2051. Have you heard of such cases?—Not within the last twelvemonth.

2052. The Bank of England have corresponding banks at Birmingham and at Gloucester?—They have.

2053. Have you known any difference in the rate of interest in those places where the Bank of England have extended correspondence, and those parts of England in which they have not?—I am not sufficiently acquainted with those places.

2054. Do you consider that with a view to the rectification of the exchanges, it is important that the Bank of England should have an efficient control over the circulation?—So long as it is the sole bank of issue in London.

2055. Do you consider that their connexion with the joint stock banks has a tendency to give them a more efficient control over the circulation than if no such control existed?—No; I think it diminishes the control, because they bind themselves to a certain amount throughout the year.

2056. Are you aware of the arrangements between them and their joint stock bank correspondents?—Only as matter of public notoriety.

2057. Do you consider that the establishment of the branches of the Bank of England gives them a more efficient control over the circulation of the country than if no such establishments existed?—No, I do not think it does, because they stipulate to issue certain amounts to those branches, and therefore they cannot reduce those amounts in seasons of pressure.

2058. The question refers not to their transactions with joint stock banks, between whom and themselves there may be such a stipulation; but the question refers to their own branches?—Yes, the larger the circulation they have the greater control they will have over it.

2059. Mr. *Clay.*] It is generally understood that in engagements between the Bank of England and joint stock banks which do not issue their own paper, there is a minimum as well as a maximum to the amount of the advance which the Bank of England is to make; that is, they must not take less than a certain amount?—They must not take less than the amount agreed upon.

2060. Must not that have a tendency either to induce such banks to make indiscreet advances, or to facilitate more than they otherwise might do, the discounting of paper for their customers?—I think it must; if they have not a sufficient amount of bills, they must discount more bills in order to make up that amount.

2061. It must of itself therefore have a tendency both to increase indiscreet banking accommodation, and to enlarge the currency when it would not otherwise be required?—It must tend to increase banking accommodation; I would not say that the parties must necessarily act indiscreetly.

2062. It

2062. It must tend to enlarge banking accommodation at a period when it would not otherwise have been given, and it must also have a tendency to enlarge the currency?—Just so to some extent.

2063. You were understood to express an opinion that the mode in which the advances of the Bank of England to those banks tended to increase the circulation was, that whereas if the Bank of England had not made those advances, the banks stationed in those different country towns must have come to London and taken a certain portion of surplus capital out of the London market; their wants being supplied in their own neighbourhood, the whole capital in the London market is left to its own operation?—Just so.

2064. In your opinion are the advances by the Bank of England to joint stock non-issuing banks an entire addition to the circulation of the Bank of England?—They must be so, unless the Bank should choose to restrict their issues in other directions. The Bank have the power of issuing notes to any extent they please in the London market.

2065. In what mode would they promote the increase of their issues in the country market, except by advances to the country banks?—In the country market, that is the only mode, except by discounts to individuals.

2066. Do not you believe that this mode of issuing their own notes did, in point of fact, occasion the Bank of England to have a larger circulation during the past year than they would have had without it?—Yes, I think so; I think that was one main cause of the spirit of speculation that followed.

2067. Supposing that they had not made such advances, would they not, in all probability, have taken earlier alarm at the issues of the joint stock banks, supposing that the whole amount which the Bank of England advanced to those joint stock banks had been an extent of their own issues?—Probably that would have been the effect.

2068. Supposing the engagement of the Bank of England with the joint stock non-issuing banks to be such as you suppose it to be, will not it lessen their control over the circulation in the two following modes: first, by their being under engagements as to the amount of their advances, to which they were under the necessity of adhering; and secondly, because they would have taken an earlier alarm at the amount of the issues by joint stock banks than they might have seen cause to take from their own circulation only?—In the first place they diminish their control over the circulation by their discounts to that extent; and in the next place they do not take alarm so soon from seeing an increase of their own circulation, as they would if they had seen an equal amount of increase in the joint stock circulation. I do not think the joint stock circulation could have gone to the same extent, because the system of exchange between country banks would have driven back the surplus circulation; but in the case of the Bank of England you do not know that the Bank of England circulation is in excess till there is a demand for gold.

2069. *Chairman.*] Do you consider that the transactions which you now know to have taken place on the part of the Northern and Central Bank would have been other than they have been, had they been the correspondents of the Bank of England, and issued only Bank of England paper?—I do not see why they should.

2070. You do not think it would have made any difference?—Not under the present management. I should rather think it would have given them increased facilities of making further advances.

2071. Do you consider that the facility given by the power of creating money and issuing paper on the part of the joint stock bank itself does not afford a stimulus to a greater circulation?—I think the Bank of England would give them a higher amount in their own circulation. The circulation of the Northern and Central Bank was only 300,000 *l.* when they stopped. I think the Bank of England would have given them discounts to a higher amount than 300,000 *l.* if they had been willing to circulate Bank of England paper. The district bank with fewer branches has discounts to the amount of 500,000 *l.*

2072. Sir *John Wrottesley.*] Do not you think that a bank issuing its own notes in the country will have its attention called to the diminution of money in the market much sooner than if it issued Bank of England notes?—Certainly much sooner.

2073. Do you think that a bank of issue in the country can for any time together

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together continue a circulation greater than the demand of the country requires?—No, it is quite impossible.

2074. *Chairman.*] To what check do you allude when you say that it could not continue its circulation?—The trade and manufactures of the country would limit the circulation. An enormous circulation would either come back in exchange from other banks, or be lodged on interest.

2075. Is not the effect of an increased circulation to give a stimulus to trade and mercantile transactions?—I think it is the result of trade; not but that the increased circulation increases trade.

2076. Suppose that in a commercial town the banks extended their issues by 10 or 20 per cent., or in any other given proportion, would not that have an immediate effect upon production and upon trade?—Yes; but to do so they must advance it either as a dead security, or upon insufficient security. If at Manchester you advance a large sum of money to build a new cotton-mill, of course that would produce an increased manufacture of cotton; and if a man manufactures an increased quantity of cotton, the circulation of those goods will draw out currency to circulate them.

2077. Suppose the issues are extended by lowering the rate of discount, and extending the facilities of obtaining money by issuing more circulating paper in any particular place, will not the inevitable consequence of that be to give an additional stimulus to all transactions within that place?—Certainly; if people can borrow money at a cheap rate they will engage in more transactions.

2078. Then which do you consider to be the cause, and which the effect?—I think so far as regards the circulation there are two modes in which a country bank puts its notes into circulation; one by loan on advances, the other by deposits. Money advanced on loan generally stimulates production, but in the other case, the money is drawn out in repayment of deposits, and over that portion of the circulation which is drawn out by the repayment of deposits the joint stock bank has no control.

2079. Sir *J. Wrottesley.*] Assuming that the circulation is sufficient for the general wants of the district, and a country bank of issue attempts to issue its own notes to any excess, would not they immediately go up to London to be paid?—They must either come back upon itself or go to London.

2080. Therefore do not you think it is impossible for the joint stock banks to increase the circulation, inasmuch as their notes must inevitably return upon them and cannot continue in circulation provided the circulation is full?—The circulation must come back unless it stimulates to new transactions; if it stimulates to new transactions they may retain a certain portion of it in circulation.

2081. New transactions require an increase of circulation, and also a rise in the price of provisions and all articles would necessarily require an increased circulation too?—Yes, the general effect is to produce a rise of prices; but if you increase the number of transactions without affecting the prices, it will require a larger circulation.

2082. *Chairman.*] You have seen the account of the increase of circulation of the joint stock banks within the last year; do you conceive that there has been any undue increase of circulation there?—No; a large part of the increase of the circulation has arisen from the transfer of private banks which have been merged in joint stock banks.

2083. But if you take the joint stock banks and private banks together you find an increase of circulation; are you prepared to say that you do not consider that, under the circumstances of the exchanges, to have been an undue and dangerous increase?—There is no evidence from these returns that the increase has been upon the joint stock circulation more than on the private circulation, because I cannot ascertain the number of private establishments that have become merged in joint stock banks; I have been trying to make a list of them, and I have got about 80 of them already; when it is finished, if the Committee think it will be of any avail, I will lay it before them.

2084. It appears from an account before the Committee of last year, that from the 26th of March 1836 to the 25th of June in that year, the circulation of private banks has increased from 8,353,894 *l.* to 8,614,132 *l.*, and the circulation of joint stock banks increased from 3,094,025 *l.* to 3,588,064 *l.*, the total increase being from 11,447,919 *l.* to 12,202,196 *l.* Now, from your experience as a banker and your knowledge of the state of the exchanges, and the indications of the money market,

market, do you consider that that increase which was common to both descriptions of banks was or was not an undue increase?—Taking the total I should have supposed it an undue increase, but still I see by subsequent returns that the subsequent diminution was not above 200,000 *l.* in the quarter ending December 1836. From this small diminution, after prices had generally fallen, I infer that the former amount was not excessive.

2085. Sir *J. Wrottesley.*] Does it appear to you that taking the private banks and joint stock banks together, the increase last spring was greater than the price of provisions and the general transactions of the country would warrant?—No, it does not appear to me that it was.

2086. Sir *J. Graham.*] In every district is there a frequent recurring exchange between the bankers in that district?—Yes, twice a week in general.

2087. If one bank issued in excess, would not the rival banks in their exchange return the notes rapidly upon the bank which issued in excess?—Certainly; necessarily so.

2088. Is not the tendency of that competition to correct the issue by any one bank in excess of its own paper?—Decidedly it has that effect.

2089. Mr. *Clay.*] With respect to the doctrine as to which you have now been asked, whether an issue of notes causes over-excitement and over-trading, or whether an issue of notes be occasioned by a greater activity in trade, is it not true that it is cause and effect in this way, that an increased issue cannot take place without a previous increased activity in the trade of the country, but that that activity having occurred, the issue consequent upon it also re-acts as an additional cause?—I think it does operate as cause and effect: if you put out an issue of notes which stimulates trade and causes a greater number of transactions, that greater number of transactions will keep afloat a greater amount of circulation.

2090. You mean to say that an increased issue is always preceded, in your opinion, by an increased activity of trade, but the issue having followed upon that activity, re-acts as an additional stimulus?—Yes.

2091. Sir *J. Graham.*] From your experience, do you know of any instance where in any district there has been a combination among all the bankers unduly to increase their issues, notwithstanding they exchange twice in the week?—No, I never heard of such a thing.

2092. Can you conceive it possible that in a state of active competition and rivalry there should be such a combination?—No, I think not.

2093. Mr. *Clay.*] You stated that you thought the Bank of England ought to have raised the rate of discount, and taken measures to adjust the circulation to the exchanges earlier than it did?—Yes.

2094. About what time do you think it ought to have taken those steps?—I do not know that I can particularly refer to the time; I think it should have been done as soon as they saw money was getting cheap.

2095. At what time did they augment the rate of discount?—In July 1836.

2096. The object to be effected was the lessening the amount of paper in circulation?—Yes, and consequently to affect the exchanges.

2097. If at that period, in place of a lessening of the circulation there was an increase of the circulation on the part of the joint stock and the private banks, taken together, was not that increase on the part of the joint stock and private banks an effectual counteraction of the steps which you have suggested as being necessary on the part of the Bank of England?—No; I do not think the increase of a joint stock circulation in the country can affect the exchanges beyond the power of the Bank of England to control them.

2098. Do you think there can be one value of money in the country and another in London?—No; if the Bank of England reduce their issues in London, that will reduce them in the country.

2099. How will it produce that effect?—The demand upon the Bank of England must be for its own notes, and if it reduces the amount of its own notes, it must reduce the amount of demand upon it. The holder of country bank notes never can get gold for them; they must be turned first into Bank of England notes, and consequently, as the amount of Bank of England notes is reduced, the demand for gold must be reduced. Besides, the negotiation of all foreign bills takes place in London, and therefore, by making money scarce in London, it would affect the price of those bills, and the circulation beyond 65 miles from London could have no further effect upon it than the circulation of notes in Scotland.

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2100. Do you consider that, supposing the Bank of England felt it indispensably necessary to curtail its circulation to the extent of two millions, it was a matter of entire indifference whether the joint stock and private banks contemporaneously increased the amount of the circulation by the sum of two millions?—No; it would depend upon whether that circulation was granted to exporters or to importers. The country circulation is issued chiefly to exporters of produce, which consequently tends to render the exchanges favourable.

2101. But whether it was granted to exporters or to importers, if the amount of the circulation is increased in a certain proportion, will not the effect upon the exchanges be precisely the same?—I think a restriction of the circulation of the Bank of England would restrain the circulation in the country.

2102. But if it has not done so; if at the time when the Bank of England has restricted the circulation the joint stock and the private banks have extended the circulation, how do you reconcile that with the evidence you have given?—I consider that the Bank of England did not begin soon enough.

2103. But when it did begin?—Though it would ultimately have that effect, it would not operate immediately. If the Bank of England in any quarter reduces its circulation, it does not follow that the country circulation will be reduced that very quarter.

2104. It appears, by the accounts before the Committee, that the joint stock bank and the private bank circulation have had a constant tendency to increase; do you think the state of the exchanges during that time have been such as to make it safe that the circulation should increase?—If the increase was produced by an increase of the transactions in the country, it might not affect the foreign exchanges.

2105. Do you think it possible for an increased circulation to take place in any country without its having a tendency to affect the foreign exchanges?—Yes, without its having an immediate effect upon the foreign exchanges; if the domestic trade of the country increases, you want an increased circulation to carry on the operations.

2106. Sir *J. Wrottesley.*] Might not a decrease of the circulation of the Bank of England contemporaneously with an increase of the country bank issue, be produced by increased confidence in the country banks, and the extensive connexions which they form, and which enable them to circulate their notes, and thereby to displace the notes of the Bank of England?—It might have an effect in that way.

2107. Mr. *Jephson.*] Within what period do you think that any circumstance which gave rise to an undue amount of circulation in the country would affect the foreign exchanges?—I do not think it would affect them in any particular period; it would not be immediate.

2108. Several months must elapse before the foreign exchanges would be affected?—Certainly.

2109. That alteration must take place owing to a general alteration of prices in this country?—Certainly, it would affect foreign exchanges only through prices.

2110. Mr. *Clay.*] Do you think joint stock banks of issue could go on extending their issues in the face of a long and steady contraction of issues on the part of the Bank of England?—Certainly, not to excess.

2111. *Chairman.*] What do you call excess?—Beyond what is required by the domestic transactions of the country.

2112. You think that as long as the domestic transactions of the country extend themselves, there is a power of extending in the same proportion the circulation of the country?—Yes, provided it does not affect prices; increased domestic transactions may affect the circulation, without affecting the foreign exchanges.

2113. Mr. *Clay.*] Does not a contraction of the issues of the Bank of England act upon the issues of the joint stock country banks to a certain degree, in the same mode as a demand for gold operates upon the circulation of the Bank of England itself?—Yes, much in the same way.

2114. *Chairman.*] You have turned your attention to the state of the law under which those joint stock banks are founded; do you think it is now in a satisfactory state, or that it is capable of amendment?—I think it is capable of amendment in some respects.

2115. In what respects?—I think there ought to be greater publicity given to the names of the shareholders, and the amount of paid-up capital.

2116. Do you think it would be expedient that some security should be taken on the part of the public, that the deed of partnership and the terms upon which the banks are originally founded should be ascertained previous to their commencement of business?—Yes; at present the deeds of settlement are always submitted to a barrister; I think it desirable that they should always be submitted to one barrister, in the same way as the laws of savings banks; but I do not think he should have the power of rejecting anything; if he objected to a clause, that clause should not be retained, unless it was sanctioned by a general meeting of the proprietors.

2117. You think that some provision like that which is applied to savings banks might be advantageously applied to joint stock banks?—Yes, provided it did not interfere with the free will of the shareholders.

2118. Do you consider that it is a matter of indifference what the amount of the shares is?—I think that small shares are chiefly objectionable on account of their not admitting of a nominal capital. I have made some calculations upon the report of last year, by which it appears that the amount paid by individual shareholders upon the small shares has been almost as much as the amount paid by those that hold large shares. I have divided the amount of paid-up capital by the number of proprietors, in order to see how much each proprietor has paid up; from this table it appears that the general effect of small shares is, that each shareholder takes a greater number in proportion. In banks of 100*l.* shares each proprietor has taken upon the average 28 shares, upon which he has paid 444*l.*; in banks of 20*l.* shares, each proprietor has taken 43 shares and paid 359*l.*; in banks of 10*l.* shares, each proprietor has taken 57 and paid 400*l.*; while in the only bank of 5*l.* shares, each proprietor has taken 117 shares and paid 585*l.*

2119. Do you think that as a general system you have a better chance of getting a better class of proprietors if the bank to be established raises its capital by larger or by smaller shares?—I would rather take large shares, upon the ground of having a larger nominal capital. It does not appear from this calculation that the smaller shares have got into inferior hands than the larger shares.

2120. Supposing a bank formed upon the principles of the Northern and Central Bank of 10*l.* shares, or the Liverpool Bank of 5*l.* shares, do not you think the ultimate tendency of that is to distribute the shares in a larger number of hands?—Possibly it may be.

2121. Do not you consider that the respectability of the character of the proprietors of a bank is essential to its stability and success?—Yes, decidedly.

2122. Where the small shares are shares altogether paid up, without any margin upon which calls may be hereafter made, what do you think is the tendency of that system upon the transactions of the bank?—I think it is a bad system, because the bank has no further call upon the shareholders.

2123. Do you consider that a system which allows the bank itself to traffic in its own shares is advantageous?—I think it is a bad system; but I have not heard of any bank trafficking in its own shares.

2124. Is it not the same if the directors are allowed to become purchasers of those shares out of the funds of the bank?—That also is bad.

2125. Are you aware that in many of these banks a fund is reserved by way of security against losses?—A surplus fund. I am not aware that it is intended as a security against losses, except by way of securing equality of dividends.

2126. Do you consider that it is desirable that a fund should be set aside from the ordinary transactions of the bank, and invested in public securities?—I do not think it necessary to invest that particular fund in public securities. The object of that fund is merely to produce an equality of dividends in different years. The bank may receive very heavy losses next year, and having a fund to fall back upon, they divide the same dividend out of the surplus profits.

2127. Therefore it is in fact a reserved fund to meet those losses?—Yes.

2128. Do you consider that it would be an advantageous alteration of the law if all banks of issue were required to give to the public an account of the amount of their circulating paper?—No, I do not think that is desirable. I think it desirable that every bank should render to the Government an account upon the plan of Lord Althorp, giving once in three months the amount of the

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transactions, and that account, when consolidated, should be given to the public, as at present the circulation of private and joint stock banks is given.

2129. What inconvenience would result if each individual bank were bound to give an account of its assets and liabilities, as the Bank of England does?—It would lead to considerable speculation in shares, because if it was seen that the bank had become a purchaser of Government stock to a large amount, and that since that purchase the Government stock had fallen in price, that would reduce the value of the shares.

2130. The account referred to has no reference to the Government stock; but it is an account of the assets and liabilities of the bank, similar to the account which is furnished of the assets and liabilities of the Bank of England?—I think it would be injurious to the bank, because its rivals would then see how the bank stood, and they would know where to attack it.

2131. Do not you think it is important that those who are its rivals and the public generally should know the state of its transactions?—I do not think it is desirable that the rivals should know intimately the circumstances of the bank, and I do not consider that any return of the assets and liabilities of the bank would show the real solidity of the bank; it would only show the extent of their business.

2132. Do you think that if such an account had been required from the Northern and Central Bank, it would have been possible for the Northern and Central Bank to have continued the operations which have been now shown?—I think very easily. The Agricultural and Commercial Bank of Ireland presented a very excellent balance-sheet a few weeks before they stopped.

2133. In that event must not that balance-sheet have been fraudulent?—It is not suspected to have been fraudulent.

2134. Do you think that the failure of the Agricultural and Commercial Bank of Ireland could have taken place if that balance-sheet had been a genuine one?—I think the balance-sheet was a genuine one; but they described a large amount of bills on hand. Now you can tell nothing by merely seeing the word "bills." It turned out that those were bills payable at Tipperary and 50 different places in Ireland, and were perfectly unavailing when the run came upon them.

2135. Supposing the Northern and Central Bank had been called to give an account to the public which exhibited 1,100,000 *l.* of over-drawn accounts, do you think it possible that that bank could have continued in credit?—It did continue in credit after that was known, to a certain extent.

2136. When was it known?—Upon the publication of the Report of this Committee last year.

2137. Where is it stated in that Report?—In Mr. Cassels' evidence.

2138. Mr. Cassels was examined on the 28th of June 1836. When did the Northern and Central Bank apply to you first for increased assistance, stating the pressure to which they were subject?—They applied to us for increased assistance in August, but not in consequence of any want of confidence on the part of the public, but because their bills could not be rediscounted in London.

2139. What was the reason that their bills could not be rediscounted in London?—In consequence of the increased pressure in the money market.

2140. Was this evidence of the overdrawn accounts known at that period?—I think it was known then.

2141. Did it produce any degree of distrust on the part of the London and Westminster Bank, learning that there were 1,100,000 *l.* of overdrawn accounts?—We did not think so well of the bank after we saw that evidence.

2142. Was your confidence diminished by the knowledge of the fact that 1,100,000 *l.* overdrawn accounts existed?—Our confidence was not diminished in the ultimate safety of the bank.

2143. Was your confidence diminished in the safety of your transactions with the bank, not taking into account the ultimate safety, but the discharge of the engagements at the time they were contracted to be discharged?—We had not so much confidence in them after we saw it as we had before.

2144. And it was at that period they found a difficulty in obtaining discounts of their bills?—In consequence of the pressure in the money market. There was no diminution of confidence in the notes of the Northern and Central Bank, nor any withdrawal of deposits by the public in consequence of that; but if they had been compelled to publish an account, it is easy to have drawn a balance-

balance-sheet which should not have shown that. Instead of putting these down as overdrawn accounts, they would have gone to the parties and said, "Give me a note of hand for this," and they would have put them down as bills, and the consequence would have been that you would have seen a larger amount of bills.

2145. Sir *John Wrottesley.*] If there was no distinction clearly drawn, you would not know whether what they stated as bills were or not past-due bills?—No, unless you required that in separate items; and if you required an account of the past-due bills you might injure the bank materially.

2146. Mr. *Goulburn.*] You think it extremely difficult to frame any balance-sheet for the public that shall give a real idea to the public of the state of the affairs of the bank?—I think it is almost impossible, if the managers are not willing to give a fair account.

2147. Sir *J. Wrottesley.*] Is it not absolutely necessary, for the purpose of knowing the real affairs of a bank, that you should also be acquainted with the circumstances of a large portion of its customers?—Certainly.

2148. Sir *T. Fremantle.*] Would it be injurious to the credit of a bank if it was observed from the periodical statements that the amounts of deposits had gradually fallen off?—Very injurious.

2149. *Chairman.*] You have stated that you see an advantage likely to arise from having returns periodically made to government and published in the gross, though not giving an account of the circulation of individual banks; what is the advantage you anticipate from that general publication?—The advantage would be in showing the total amount of the circulation, and of the deposits, and of the bills of exchange. It would be chiefly of advantage to individuals that make those things their study.

2150. Do you mean that it would be useful only for statistical purposes, and of no use practically for bankers?—Bankers are persons that make those things their study; it would be of great use to them.

2151. What use would they turn it to?—It would give them a knowledge of the trade and transactions of the country, and they might judge of the probable increase or diminution in future of the pecuniary transactions.

2152. Suppose that in the face of these returns, a banker found that by the exchanges becoming unfavourable there was a general increase of the circulating medium of the country, what use would a prudent banker make of the knowledge of those facts?—He would discount short bills instead of long ones, and he would not keep any kind of security likely to be affected by the contraction of the currency.

2153. Do not you consider that if he was enabled to see that a rival in trade was largely augmenting his circulation at a time of an unfavourable exchange, he might turn that fact to some use also?—He would turn it to the use of injuring his rival.

2154. Supposing two banks, one of which increases its circulation at the time of an unfavourable exchange, and the other pursues a different course; do not you consider that it becomes important to the second bank, which adopts a different principle, to know what have been the proceedings of the first?—Yes.

2155. Do you think it is the act of a prudent banker considerably to increase his circulation, at a time of an unfavourable exchange?—With regard to the country bankers, they are not so much affected by the foreign exchanges, and it may be sometimes prudent for a country banker to increase his circulation at the time of an unfavourable exchange.

2156. You have already stated that in the face of an unfavourable exchange you consider it the duty of a banker to limit the date at which he accepts securities and to curtail his accommodation?—Yes, as a general rule; but it admits of exceptions.

2157. Is not it material to know whether this general rule is adhered to by different banks?—I think it is useful to know in the mass whether the circulation is increasing or diminishing.

2158. Is not it important for one bank to know whether another bank is conducted upon prudent principles?—It can hardly know that by merely knowing the amount of its circulation.

2159. If a bank continues progressively increasing its circulation at a time of unfavourable exchanges, is not that an act in itself which you consider imprudent?—

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imprudent?—Circumstances may occur which would justify it; but as a general principle certainly it would be imprudent.

2160. Then is it not important that that which is one of the general principles which regulate the knowledge of a bank should be known to other persons in the banking trade and to the public?—If one bank is justified by particular circumstances in deviating from the general rule, it is not necessary that other banks should know it, because they cannot judge of the propriety of it without knowing the particular circumstances.

2161. Supposing that the London and Westminster Bank had two customers, and that one of them greatly augmented the circulation in a period of unfavourable exchange, and that the other met that state of things by a more prudent course, is it a matter of indifference to you to be apprised of that fact?—I could not judge by the increase of the circulation without knowing whether the increased circulation had arisen from increased discounts or from the withdrawal of deposits.

2162. In any case if there was an increase of circulation, with an unfavourable exchange, should not you consider that to be one of the tests by which you would judge of the character of the bank?—No, I do not think it is of itself. In connexion with other things it is.

2163. The question is, whether it is one of the tests?—It is one of the tests in connexion with other things.

2164. Then is it immaterial to you to have that test excluded?—I think we have other means of judging of our connexions without knowing the amount of their circulation.

2165. Sir *J. Wrottesley.*] Do you suppose that where the bankers in a particular district are in the constant habit of exchanging, any one of them can make a very unwarranted increase of his circulation without its being known immediately to the other banks?—No, I think the other banks would know it by the amount of notes that came into their own hands.

2166. Do you think that the foreign exchanges have any immediate effect upon the country banks?—No, I do not see that they can have.

2167. Do not you suppose that the effect which is produced upon country banks by the foreign exchanges is produced through the Bank of England diminishing their own notes, and that diminution of the Bank of England notes operating immediately upon the country banks?—I think the foreign exchanges affect the country banks through the operations of the Bank of England.

2168. Mr. *Jephson.*] Do the exchanges show the actual state of the circulation, or the state of the circulation at some previous time, and may not a state of things exist in which the cause that led to that state of the exchanges may have ceased at the very period when the exchanges show an unfavourable state?—Yes, that is certainly possible.

2169. Therefore it is not always safe to trust to the appearance of the foreign exchanges to judge of the amount of the circulation of the country?—No.

2170. Mr. *Clay.*] You have stated that a published account of the assets and liabilities of joint stock banks, such as the Bank of England puts forth, would afford no criterion of the state of solvency of the bank?—None.

2171. You assume that because under the general name of assets might be put down overdue bills, and overdrawn accounts, and renewed bills, and every species of very indifferent security?—Exactly so.

2172. But suppose that there were an account of this kind; that on the side of the assets should be required first to be stated what there was in the public stock or Exchequer Bills; secondly, the amount of cash; thirdly, the amount of overdrawn accounts with or without security, and specifying the nature of that security; and again, notes by customers; notes of hand to the bank. Do not you think that an account stating such items and verified by auditors, would give to the public a very considerable means of judging as to the state of solvency of the bank?—The more minute the returns, of course the more ample the means of judging, provided the returns were fairly given, and provided the bank was not put in that state on purpose to make those returns.

2173. Would it be possible to falsify the items specified in the former question; for example, the amount of stock possessed by the bank?—It would not be

be possible to falsify the items; but stock might be purchased immediately before and sold immediately afterwards.

2174. Would not that diminish the amount of good bills in hand, or some other item which must be mentioned on the side of the assets?—It must of course diminish some other property of the bank.

2175. Supposing the items not to be falsified, would it not give some considerable means of judging of the solvency of the bank?—Not of the solvency of the bank, because in order to judge of that you must take the character of the securities as well as the amount.

2176. If, for instance, it were found that the bank had no stock and no Exchequer bills, do you think the public opinion of that bank would be as good as if it had a large amount of stock and Exchequer bills?—The bank knowing that, would try to put themselves in a condition more satisfactory to the public.

2177. Does not your previous answer, that it would be possible to mislead the public by the statement of the balance-sheet, refer to the condition of a bank in which there was a cause for concealment and deceit; but if it were a condition of the establishment of those banks that they should from the very commencement publish accounts of that kind, those accounts would of necessity at first be true and fair, and therefore if they deviated into a less favourable state of assets, it would gradually lessen the public confidence?—Yes; if the public saw statements of accounts less satisfactory, there would be less confidence; that is, presuming they could depend upon the fidelity of the return.

2178. Supposing those accounts were to be published periodically, do you think it would be possible, without exciting suspicion, one period after another, to give false answers upon the items that have been referred to?—It would depend very much upon the confidence placed in the directors; if the public trusted the directors, they would place confidence in the return; if they did not trust the directors, they would not place confidence in the return.

2179. Suppose it were a bank of limited liability, in which the depositors and holders of notes would have no security for what was due to them but the assets of the bank and the prudence with which those assets were managed, do not you think that in case of the publication of such accounts a scrutiny would be exercised that would make falsification of the leading items almost impossible?—If you have a bank of limited liability you must have a system of scrutiny.

2180. Do you think it would be possible for accounts stating such items to be successfully falsified for one period after another?—If you had a system of scrutiny and inspectors, they would see that it was not falsified.

2181. What do you mean by inspectors?—Persons appointed by the shareholders to examine the accounts of the directors.

2182. In that case you think it would not be possible to falsify such items?—Certainly not, if the inspectors did their duty.

2183. Speaking generally, it being an indispensable condition of the charter of such banks that such an account should be published, and the depositors having no other security for their rights than the assets of the bank, do you believe, generally speaking, that it would be possible that those accounts should be frequently false?—I think it would be possible to adopt a system that would prevent their being falsified.

2184. *Chairman.*] Have you read many of the deeds of partnership of these banks?—Very few.

2185. In a great number of them there are provisions made for rendering a balance-sheet to the proprietors before the declaration of dividends; do your apprehensions as to the falsification of the balance-sheet apply to accounts so to be rendered?—Yes; I think the directors should not be compelled to produce the balance-sheet unless the proprietors required them. Of course they would require it only when they suspected something wrong on the part of the directors.

2186. In a case of suspicion, would it not be necessary to follow up the production of the balance-sheet, with a power of inspection or of audit, in order to ascertain that the balance-sheet was a genuine one?—Certainly the shareholders should then appoint auditors.

2187. Had there been a regular production of a balance-sheet, and a regular audit on the part of the proprietors, do you consider that the transactions which have been stated as having occurred in the case of the Northern and

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Central Bank could have taken place?—If the auditors did their duty they ought not.

2188. Mr. *Jephson.*] What do the returns of the circulation made to the Stamp-office show; do they show the actual amount of notes at that moment in circulation, or the amount of notes issued during a certain period?—The average of the preceding quarter.

2189. Then a large proportion of the notes which may appear to be in circulation may have been actually paid into the bank, and not be actually in circulation?—Yes; the return is merely the average of the quarter.

2190. Supposing the average circulation return to be 100,000 *l.*, the whole of that 100,000 *l.* might actually have been paid into the bank and not be in circulation, and still 100,000 *l.* would appear as the amount of circulation of that bank?—It is a possible case.

2191. Mr. *Clay.*] From your experience of those banks, at how short a period do you think, in reference to the general convenience of the shareholders, might the notice of a call for an instalment be made?—I think the shorter the notice the better.

2192. How short might it safely be made?—I should think from a fortnight to a month; I should prefer a fortnight, because that would meet contingencies.

2193. By what penalty would you enforce the payment of such instalments?—The present penalty is by forfeiture of the previous instalments upon the shares.

2194. If instalments could be called for at a fortnight's notice upon a large proprietary, under penalty of the forfeiture of the previous instalments, do not you think that would insure the certainty of a forfeiture of a large proportion of the shares?—It would in times of pressure.

2195. Would that be a fair power to lodge in the hands of the directors?—It might be harshly exercised; but when the existence of the bank was at stake they must resort to it.

2196. Would it not involve the necessity of giving a power to the directors which might be so used as to insure for the benefit of some few wealthy proprietors a sacrifice of the property of almost all the poorer proprietors?—That is a possible case.

2197. Then does not that consideration render it almost impossible to entrust the directors with the power of calling for instalments at so short a period?—It must depend upon the prudence of the directors; it must be presumed that the directors would act with ordinary discretion.

2198. *Chairman.*] If that discretion was so exercised as to lead to a great forfeiture of shares, would it not necessarily affect the credit of the bank?—Certainly.

2199. In that case would not the richer proprietors, by whose capricious exercise of discretion it would be occasioned, become themselves the sufferers?—Certainly they would suffer by the loss of credit of the bank, but whether to the same extent as they would gain I do not know.

2200. Mr. *Clay.*] Why would it ruin the wealthier proprietors, it being supposed that they do it with the design of not selling their own shares?—If it were done to such an extent as to ruin the bank it would ruin the wealthy proprietors. If there is a large number of shares thrown upon the market it would reduce the shares to a considerable discount.

2201. But the very case supposed is, that the wealthier proprietors do not wish to sell their shares?—In that case the number of forfeited shares would not be to any great extent.

2202. Do you believe that were calls made with a fortnight's notice, under the penalty of the forfeiture of the instalments, there would be a great many forfeited shares in a large proprietary?—In times of pressure there would be a great many.

2203. Then it would appear that you could scarcely entrust the directors with the power to make a call at a fortnight's notice?—I think the directors would

would have the prudence to see that if the calls were not paid they ought not to forfeit the shares.

2204. Then in times of pressure they would not make a call at a fortnight's notice?—Unless they saw that there was a probability of its being paid.

2205. You have expressed an opinion that in times of pressure a call for an instalment at a fortnight's notice would lead to a forfeiture of shares; then you think they would not make a call in such a time?—If they made a call they would not declare that the shares were forfeited for non-compliance with it. There is no compulsion upon the directors to declare the shares forfeited if the call is not paid.

2206. Do you think that in such a case a part of the proprietors would be content to pay their money, knowing at the same time that others of the proprietors did not pay?—Yes; they might know that some of the poorer proprietors did not pay, and they would consequently be charged with interest.

2207. Do you think that in a moment of pressure a call upon the proprietors for money is an available resource?—In some cases it is; one bank has made one or two calls during the present pressure.

2208. With what length of notice?—A month.

2209. Would that have availed them against an immediate demand for money?—Not immediate; but an immediate demand never comes. A bank has always an opportunity of judging of the probability of its demands.

2210. Did not an immediate demand come in the case of the Northern and Central Bank?—That came from the throwing out of their paper; it was not from payment of their notes being demanded or deposits being withdrawn.

2211. *Chairman.*] You have stated that you consider that the condition of the Northern and Central Bank, in meeting its engagements, would have been much better had they had the means of making calls upon their proprietors at the time of the pressure?—Yes.

2212. Mr. *Clay.*] You think that if the Northern and Central Bank could have made a call upon their proprietors at that moment, it would have relieved them from their difficulties?—I think it would; they might not have got every shareholder to pay up his call, but they would have got sufficient to enable them to go on.

2213. Do you say that with the knowledge of the fact that a very large proportion of their shareholders had overdrawn accounts with the bank?—No; I did not know that.

2214. Supposing that were to turn out to be the case, do you still think that a call would be effectual to produce money?—No, that is an extraordinary case.

2215. Supposing that many of the shareholders had accounts not overdrawn, would not they have replied to that call by a cheque upon those accounts?—If they had money upon their accounts they would, and that would have reduced the liabilities of the bank.

1216. It would have reduced their liabilities to the extent of the diminution of the balances of those shareholders; but is that the source from whence the pressure is likely to have come?—If you reduce the liabilities of the bank, it amounts to the same thing; because then the money that would go to meet those liabilities would be applied to meet other demands upon the bank.

Martis, 9° die Maii, 1837.

MEMBERS PRESENT.

Mr. Chancellor of the Exchequer.	Mr. Jephson.
Mr. F. Baring.	Mr. Pattison.
Mr. Clay.	Sir R. Peel, Bart.
Sir T. Fremantle, Bart.	Mr. Strutt.
Sir J. Graham, Bart.	Sir John Wrottesley, Bart.

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

Daniel Robertson, Esq. called in; and Examined.

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2217. *Chairman.*] YOU were examined before the Select Committee of last session on the 26th of July?—I was.

2218. Since that time have the National Provincial Bank been in possession of the Report of the Select Committee?—It has; the directors have seen it.

2219. Has that Report been under the consideration of the directors?—They, I believe, have read it; but it never was brought formally before the board for consideration.

2220. Has there been any alteration in their mode of transacting business since the period of your last examination?—I believe there has been no material alteration.

2221. Have you added to the number of your branches since that?—We have; we have established eight or nine branches since then; but we were in some measure committed, by arrangements made previous to the publication of the Committee's Report, to establish those branches.

2222. Will you state what branches you have established since?—We have established branches at Darlington and at Stockton, where we took over the business of Skinner & Co., private bankers.

2223. Was that carrying into effect an arrangement which had been previously made, or was it a new step taken by the National Provincial Bank?—It was in consequence of some previous arrangement.

2224. Do you mean to say that that was established in substitution of a bank previously existing?—In substitution of a private bank.

2225. Have any other branches been established by you since?—At Crewkerne, Exeter, Ilfracombe, Kingsbridge, Manchester, Plymouth, Newcastle, Emlyn and Ramsgate; the sub-branches are Barnard Castle, Ledbury and Devonport, Oakhampton, Kington and Usk. The branch at Manchester, however, was opened chiefly with a view to facilitate the operations of our other branches.

2226. Have those branches what you termed in your former examination "sub-agencies"?—Devonport is an agency to Plymouth, Barnard Castle to Darlington, Ledbury to Worcester, Kington to Hereford, and Usk to Cardiff.

2227. What notes are issued at those branches?—They issue their own notes, payable at the branch and in London.

2228. At the period of the former return there were 30 branches established, and 23 sub-agencies; will you state how many branches and how many sub-agencies you have at present?—We have 37 branches and 29 sub-agencies.

2229. Therefore you have added six sub-agencies to the establishment since you made your return to the Committee last year?—Yes. I think, in the last return, Barnstaple appears to have been omitted; Barnstaple was established at the time that I was examined.

2230. Will you inform the Committee whether of these sub-agencies the notes issued are payable at the places of issue?—Practically, they are payable at the places of issue.

2231. But legally are they made payable there?—They are not; but they are made payable at the chief branch and in London.

2232. Has the attention of the directors been called to the state of the law, and the suggestion made by the Committee of last year, with respect to the obligation under which bankers are of making their notes payable at the places of issue?—I believe that point has been considered by the directors; but, as already stated, the Report has never been formally brought before the board for consideration.

2233. But

2233. But nevertheless, since the date of the former return, six sub-agencies have been established at which notes are issued not legally payable at the place of issue?—It appeared to the directors, that not making those notes payable at those sub-agencies might strictly speaking be considered an evasion of the law; but as the notes were practically paid there, they did not think it proper to discontinue the practice.

2234. What is the form of the note issued at the sub-agencies?—It is the note issued at the branch.

2235. Where does it bear date?—It bears the date of the branch; for example, take Wisbeach, to which there are four sub-branches; the notes are payable at Wisbeach and payable in London.

2236. Therefore they bear the date not of the place of issue, and they are made payable at a place at which they are not issued?—Exactly, but paid where issued.

2237. Do you consider that to be according to law?—I rather think not; but until the Committee's Report came out, the attention of the directors had not been called to the point.

2238. At the time of your former return made to this Committee, you stated that it was the intention of the company to increase its nominal capital of one million by an additional sum of 200,000 *l.*; was that intention carried into effect?—To a certain extent it was; 20 *l.* shares were issued to the number of 7,000, upon which I think about * * *l.* or * * *l.* have been received.

2239. Had you received the whole amount you calculated on receiving, 100,000 *l.*?—Not perhaps the whole amount, but as much as under recent circumstances we could expect.

2240. Your original shares were 100 *l.* value?—Yes.

2241. The second issue was diminished to one-fifth part of that sum, namely, 20 *l.*?—Yes.

2242. What was your motive for issuing smaller shares?—We found a great desire in the country for shares of a smaller denomination than the original shares of the company.

2243. Did you consider the smaller shares to be more saleable in the market; was that your motive?—No, it was with the view of competing with other local banks.

2244. If you had not had that competition to encounter, should you have thought it advisable to have lowered the nominal amount of your shares from 100 *l.* to 20 *l.*?—I do not think we should.

2245. But those shares, in place of producing 100,000 *l.*, have only been issued to an extent producing * * *l.*; when did the issue take place, and when did you find any difficulty in disposing of those shares?—We found no difficulty in the first instance; about 9,000 were applied for; 7,000 were allotted. The first instalment, I think, has nearly been paid upon the whole of those shares, but the pressure of the market came on, and retarded in a great measure the payment of the second instalment.

2246. Have any of those shares been forfeited by reason of the non-payment of the instalments?—They have not been forfeited; the directors considered that under the circumstances the parties were entitled to some indulgence.

2247. If the obligations under which they were issued were enforced literally, would many of those shares have been forfeited?—They certainly would; they are liable to forfeiture at this moment.

2248. To what extent in point of number?—I cannot exactly state at this moment; the amount paid up is about from * * *l.* to * * *l.*

2249. Was the issue of these 20 *l.* shares for the purpose of obtaining additional capital to carry on your business, or for the purpose of acquiring additional business by increasing the number of your customers?—We had both objects in view; we thought it advisable to procure additional capital, and at the same time by issuing those 20 *l.* shares, we expected to strengthen the local influence of the bank.

2250. If you had wanted capital merely, might you not have procured that by a further call upon the original shares of 50 *l.* each?—We could; but we did not think it advisable to make further calls at that time upon the original shares.

2251. By your deed of settlement had not you an unlimited power of adding to your capital?—By the original deed of settlement the directors had the power of issuing 10,000 additional 100 *l.* shares in the country, with a view of procuring

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curing local influence; but lately two general meetings of the proprietors gave discretionary powers to the directors to issue 20 *l.* shares.

2252. What is the present amount of your paid-up capital, the return in the last session having shown a paid-up capital of 250,000 *l.*?—The present amount of our paid-up capital is about 370,000 *l.*, and which will be increased after the call made in the month of December has been fully received.

2253. What was the call that you made in the month of December; will you state the exact period at which it was made?—It was made on the 12th of December; a 10 *l.* call, payable in two instalments, on the 12th of January, and on the 15th of February.

2254. To what extent has that call, the first of those instalments, been paid?—Both instalments have become payable, and four-fifths of the call have been paid.

2255. Four-fifths, including the two instalments?—Yes.

2256. How much did you calculate that that call would have produced?—We expected that it might have been answered probably to half the extent.

2257. If that call had been paid up in full, what amount of additional capital in money would it have produced?—£.100,000, being a call of 10 *l.* upon the ten thousand 100 *l.* shares.

2258. How much has been the amount received?—Four-fifths, or 80,000 *l.*

2259. There being one-fifth still due, are the parties who have not paid up that instalment agreeably to the call, liable to the forfeiture of their shares?—Not as yet; the call, by the deed of settlement, must be made payable within a month after it is made, but the parties can take three months' indulgence on paying us 5 *l.* per cent. interest; so that the shares do not become forfeitable till this month.

2260. How much had been paid up previous to that call, upon each share?—Twenty-five pounds.

2261. Then the directors do not feel any apprehension that those shares, upon each of which 25 *l.* has been paid, will be forfeited by the parties, from the non-payment of an additional sum of 10 *l.*?—They do not; the call has been more satisfactorily responded to than they could possibly have anticipated under the circumstances.

2262. Suppose the sum of 5 *l.* only, instead of 25 *l.*, had been paid up upon each of those shares, do you consider that your additional call would have been as satisfactorily answered as it has been, or that the number of cases of forfeiture for non-payment of the 10 *l.* would have been greater than they have been?—I think the probability is that the call would not have been answered to the same extent in the case just supposed, because the larger the sum paid up, the more respectable and responsible the constituency.

2263. Then you consider that, in the amount of capital paid up, you both have a security as to the respectability of the constituency, and you have a greater certainty that the new call will be paid up?—There is no question of it.

2264. Have you paid any dividend since the period of your last examination?—A dividend for the last year, ending the 31st of December 1836, is now in the course of payment.

2265. What is the declared dividend?—Five per cent. per annum.

2266. There is no variation?—No variation.

2267. Have you had any general meeting since your last year's examination?—We have not; our meeting comes on on Thursday next.

2268. Are your meetings only annual?—Only annual, unless we summon a special general meeting of the proprietors.

2269. Is it intended to lay before your proprietors, at the general meeting, any balance or any communication of the state of your affairs?—Certainly, we make a report of the progress that we have made, our future prospects, and the actual position of the affairs of the company.

2270. You will have the goodness to transmit to the Committee a copy of that report, when it is made?—I know that it will afford the directors great satisfaction to send the members of the Committee that report.

2271. What amount of unissued shares have you at the present moment?—We have 10,000 of those 100 *l.* shares which we can issue in the country, and the directors have a discretionary power of issuing 20 *l.* shares; 7,000 of which only are allotted.

2272. You have stated that with the 25 *l.* amount paid up upon each share, you

you have been able to increase your capital beyond your expectations, by call; you have also stated that, by the issue of new shares of a smaller amount, the 20*l.* shares, a period occurred in the market in which you were not able to issue so many of those shares as you had expected; which mode do you conceive to be the most desirable for adding to the capital of your company?—I certainly conceive that, in our present position, it is more desirable for us to add to the capital of the company by issuing shares in the country as it procures us local influence.

2273–76. * * * * * * * * * * * *

2277. You stated last year to the Committee that you were educated in one of the Scotch banks?—I was.

2278. Are the banking transactions which you describe as cash credits, carried on by you in England, of the same character and governed by the same principles as those under which Scotch cash credits are regulated?—We are endeavouring to introduce the Scotch system of cash credits here; but we have some difficulty in doing it, from an aversion which exists in this country to give personal security by bond.

2279. Will you describe the exact conditions of Scotch cash credit in the first instance?—In Scotland, the party requiring probably from 100*l.* to 1,000*l.* in the course of his business, applies to a bank, offering the names of two or three responsible parties as security by bond for the amount, and he can then, under this bond, draw to the extent of the credit; but the account must be made useful by frequent operations, and unless it is rendered sufficiently operative, the account is called up.

2280. Will you have the goodness to describe now your English system of cash credit?—It is very similar; it varies chiefly in point of security; we have a great difficulty in getting personal bonds.

2281. You say that you have difficulties in introducing it; you have gone to the extent of * * *l.* in cash credits in England; in those cases do you get security by bond from the parties, as in Scotland?—Frequently by bond, but still more frequently by promissory notes, and sometimes collateral security.

2282. Is that the promissory note of the party, or do you get collateral security?—We get collateral security, unless we have another name along with the party on the promissory note.

2283. Without, of course, binding you to a precise answer, in what proportion of this sum of * * *l.* is the cash credit founded upon bonds, as in Scotland?—It is certainly not to a very great extent; we have only lately introduced the system. Our instructions to our manager are, "The manager is requested to encourage the practice of giving security for cash credits by personal bond, as in Scotland." We are not disposed to carry it to the same extent in England as it is carried in Scotland. I do not think that England is ripe for carrying it to the same extent.

2284. When you say, you do not mean to carry it to such an extent as in Scotland, do you mean that you do not intend to carry the cash credit system so far, or the system of enforcing the bonds by which those credits are secured so far, as it is in Scotland?—We do not intend to carry the system of security by bond to the same extent as it is in Scotland; it is a sort of lock-up of money, and until there is greater confidence in the system in England, we should not think it safe to invest a very large sum in this security, it not being immediately available.

2285. Can you lay before the Committee the details of the accounts of cash credits, so as to distinguish the amount which is secured by bond, as the first head, by promissory note, as the second head, and thirdly, that proportion which is advanced upon the mere responsibility of the party obtaining that advance?—I can lay it before the Committee; I am not prepared to do so just now.

2286. Can you also, from your experience, inform the Committee what analogy there exists between the system exhibited by the account which you are about to furnish, and the cash credit system of Scotland, as practised in the banks with which you are acquainted?—The system, as regards the mode of operating upon the credit, is much the same in England as in Scotland, but the security is different.

2287–2290. * * * * * * * * * * *

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2291. In the Scotch system of cash credits, are the advances made by the banks in Scotland except upon the security of the collateral bond?—They are not; in very few instances do they allow over-drafts.

2292. In that respect, in reference to the security which you hold, the cash credit system in England differs essentially from that in Scotland?—The cash credit system differs in this respect, that in Scotland they invariably have a personal bond; in England again, we allow a credit upon various descriptions of securities.

2293. Do you consider, that in the respects in which the cash credit system in England differs from that in Scotland, the one or the other is preferable as a system of banking, and which?—I should say, that joint stock banking in England being comparatively in its infancy, and that degree of confidence which long experience of the system of banking has produced in Scotland, not existing to the same extent in England, it would not be prudent to advance very largely on personal bonds; but if the same confidence in joint stock banks did exist in England, I should prefer the cash credit system of Scotland.

2294. Do you consider that you can go to the extent of * * * *l.* with more safety by disposing of the personal credits?—We think that those promissory notes that we take from the parties, with two or three names on them, are more available in many instances than a personal bond.

2295. Sir *J. Graham.*] In Scotland, under the bond, do not they require more than one name?—Invariably two or three, and sometimes more.

2296. Sir *John Wrottesley.*] And you require the account to be very operative also?—Yes.

2297. *Chairman.*] Do you pursue the same course in England; if it is inoperative, do you call it up?—Yes.

2298. Sir *J. Graham.*] Wherein consists the greater security in England of a bill with two or three names to it, than the security in Scotland of a bond on which two or three names are required?—The security may not be greater in the one case than in the other, but the bill is a preferable security, from being more available.

2299. You can discount the one when you cannot the other?—Exactly.

2300. *Chairman.*] * * * * * * * * * *

2301. * * * * * * * * * * * *

2302. Why is it, there being a specific head for bills of exchange, that local bills are not included under the head of bills of exchange, but are included under another item, namely, "all other securities not included as above"?—We have taken them separately, as we did last year, but in the last return I have not specified the local bills, which are quite distinct from bills of exchange.

2303. Are they not bills of exchange?—No, they are local bills.

2304. Is not that a bill of exchange?—In the account we call them local bills; and they are classified under a separate head in our books.

2305. Did you not include them in last year's account under the designation, "bills of exchange"?—No; in last year's account I specified "bills of exchange" and "local bills."

2306. Will you describe the description of paper which you designate as "local bills"?—For example, two parties residing in a county town, say Gloucester, drawing upon one another, and making the bill payable there.

2307. Do you mean by a "local bill" a bill by which a merchant at Birmingham draws upon a merchant at Birmingham, as distinguished from a bill which a Birmingham merchant draws upon London or Manchester, or some other place?—If a Birmingham merchant draws upon London, we consider that a bill of exchange; if he draws upon a party in Birmingham, and the bill is made payable there, we call it a local bill.

2308. If he draws upon a merchant in Manchester, which would you call it?—We consider it a local bill.

2309. Do you consider as local bills all bills which are not domiciled in London?—Exactly.

2310–2314. * * * * * * * * * * *

2315. In striking the balance, in order to declare your dividend of five per cent., was there any amount of bad debts written off?—Yes, we have estimated our bad debts, since we commenced business to the 31st of December last, and on Thursday next the amount will be stated to the meeting. I have made a calculation of the per-centage of our loss upon the amount of business done, and

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it amounts to about eight per cent. upon all the bills discounted, and the advances made since we commenced business.

2316. Does that include any losses which you calculate upon incurring in consequence of your over-drawn accounts of cash credits, as well as your losses upon the non-payment of bills?—It includes everything.

2317. You have stated in a former part of your evidence, that the * * *l.*, the over-drawn accounts, are chiefly transfers of such accounts to you from banks which you have superseded; what was the amount of those accounts at the period when they were transferred to you, and what amount of them has subsequently been paid off?—In taking them finally over, we rejected about 30 per cent. of the amount originally transferred; the parties disposing of their business immediately relieved us of that amount, and collected them themselves.

2318. But the amount transferred to you being 330,000 *l.* after that operation, does that account stand as high now as it did at the period in which those accounts were transferred?—Certainly not.

2319. Then what was the amount, can you inform the Committee, at the time of the transfer, there being * * *l.* now, so that the Committee may be able to see to what extent that amount has been decreased?—We have been taking those private banks over at different times. I could not state the amount exactly transferred to us, without reference to our books; we have taken over eight of those private banks.

2320. Have you made any variation in the rate of interest since your former examination before this Committee?—We have given the managers a discretionary power to increase it a half per cent.

2321. Have they exercised that discretionary power?—They have; the interest that we allow is three per cent. upon deposit receipts, and from two to two and a half upon current accounts.

2322. That is the interest you pay; what is your rate of discount?—Five per cent., and a commission in many instances.

2323. Does the commission vary according to the nature of the transaction?—According to the quality of the paper.

2324. Have you made any variations in the rate of discount, analogous to and dependent upon the variations of the rate of discount allowed by the Bank of England?—We have; when the Bank of England increased its rate of discount, we adopted the same course.

2325. Did you charge a different rate of discount from that charged by the Bank of England, or did you keep pace with it?—Latterly, we charged a commission when the Bank of England did not.

2326. Does the commission vary according to the nature of the security of the transaction?—According to the quality of the bill; if it were a first-rate bill of exchange, negotiable in the London market, of course our commission would be less.

2327. Where then the general rate of discount is five per cent. upon a six months' bill, do you charge a commission?—We very seldom discount a six months' bill.

2328. Have you made any variation with respect to the date of the bills which you discounted, the length of time that they have to run, since your last examination?—We have; early in the month of August we anticipated a severe pressure in the market, and took every precautionary measure to meet it; one of those steps was limitting the currency of our paper in the country.

2329. To what extent did you limit it?—Our instructions to our managers were to take no paper beyond three months' date, and to confine it as much as possible to bills of two months.

2330. When did your establishment feel the pressure?—About the end of July we anticipated a pressure, but we did not feel it for some months afterwards; on the 13th of August our first restrictive circular went out to the managers.

2331. What steps did you take to anticipate that pressure?—We restricted our issues, and our business generally.

2332–33. Did you diminish your circulation?—Yes; the circulation was diminished.

2334. What other steps did you take?—We restricted our local advances, and we called up unproductive loans; and we limited our managers to a certain amount of business in some instances.

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2335. Was it in reference to those circumstances of pressure that you felt it necessary to call up additional capital in order to meet the engagements of the bank?—It was not; it was at the urgent recommendation of a very considerable number of the proprietors that we made that call; we contemplated making that call for three or four months before it was made, and wishing to do it at a time when the proprietors might more easily meet it, we made it payable immediately after the dividends came out in January.

2336. Did you increase your amount of cash and Bank of England notes?—We did; we increased our reserve in the country, and we increased our reserve in town.

2337. Comparing your return for last year with your return at the present moment, of cash and Bank of England notes, can you state to the Committee how the comparison will stand, what results will be exhibited; your cash and Bank of England notes last year were * * *l.*, and at present it stands upon the return given in, * * *l.*, to which you say * * *l.* ought to be added, making a total of * * *l.*; is not that so?—It is. The return at the present time shows a considerably greater amount of cash on hand in proportion to our liabilities than last year.

2338. Have you felt it necessary to increase the amount of your investments in Exchequer bills or in the funds?—When the statement given in was made up we had not increased our Government securities; we found it more convenient to lend the money that we kept in reserve to bill-brokers; we got a higher rate of interest, and the money was at our command.

2339. Will you explain the operation of lending your money to bill-brokers upon interest; upon what principle is it effected?—We lend a certain sum of money to them, payable on a day or two's notice, and they give us in return the security of bills of exchange.

2340. What interest is given to the bank by the brokers for the advance of money subject to a short call?—During the pressure we got from four to four and a half; and in one instance we got four and three quarters per cent.

2341. What interest do you get now?—Four per cent.

2342. You still hold some public securities, do you not?—We purchased 20,000 *l.* consols, since this return was made up.

2343. Do you still hold the Exchequer bills?—We do.

2344. Therefore you have added to your investment of Government security?—We have; and it is the intention of the directors to add still more to it.

2345. Are you permitted by the deed of settlement to invest in foreign securities?—We are not.

2346. In the time of pressure which you have described, did you find any increased difficulty in managing your establishment by reason of the number of branches with which you were connected?—Not any particular difficulty; we found it necessary to exercise a more vigilant control over the conduct of our managers, and from time to time, as the pressure in the market rendered necessary, to place them under very strict orders.

2347. You send round one of your own body, do you not, from time to time, to inspect?—We have at present three gentlemen travelling in the country in that capacity.

2348. Have you the instructions which were given to them?—I have the instructions to our managers; the inspectors receive their instructions from the London board, except when they happen to be in the country, and then we send down written instructions; such instructions are the result of a very careful examination of the most complete returns from the branches in detail and in the abstract.

2349. You get them weekly, do not you?—Yes; and they are in course of constant examination at the London office.

2350. Then, is the duty of the inspector confined to the fidelity with which the weekly statements are given of the adherence of the managers to the regulations under which the branches are to be conducted?—His duty is to institute the most rigid inquiry into the responsibility of the customers of the branch, to balance the books at the branch, and to count the property in the possession of the manager. The last-mentioned duty he discharges the moment he enters the office; but his chief duty is to see that the money of the bank is lent upon proper security.

2351. Do those inspectors visit at stated intervals, or are your banks at any time;

time liable to this examination on the part of the inspector?—At any time liable; we have no stated periods; we purposely avoid that.

2352. Sir *James Graham.*] The security given by the manager is a security of their fidelity, but none against the bad debts which they may make in their bank?—None, except they act quite in violation of the instructions given.

2353. Even in that case would their securities be liable if they acted *bonâ fide*, though not in strict accordance with your established rules?—If we prohibited them from lending money to a certain party, and they did so, I should conceive that the sureties were in that case responsible, under the bond which this company requires.

2354. Has that case ever been tried?—I am not aware that it has.

2355. *Chairman.*] Upon what principle does your board of direction proceed in the allotment of shares?—In the first instance, the shares, I believe, were allotted in the country to desirable parties, and a very considerable portion of them were taken in town. I had not joined the establishment at that time. In the late issue of 20*l.* shares our object in the country was to secure respectable proprietors, and individuals who could promote our interests, either by giving us business themselves, or procuring it for us.

2356. You stated in a former part of your examination, that the 100*l.* shares had a greater tendency to give a respectable proprietary than the smaller shares; then the issue of the 20*l.* shares was mainly for the purpose of extending your connexion in business?—Yes, and of meeting the opposition which we experienced from local banks. I forgot to explain, that during the pressure we limited the discretionary power of the local boards and the managers very considerably.

2357. In what way did you limit it beyond the limitation of the currency of the bill and the increased rate of discount?—We limited the discretionary power in making advances upon cash credits and in allowing overdrafts without reference to the London board.

2358. Will you state what has been the maximum of the commission which at that period you charged?—I should say a half per cent., except upon local paper, on which, in some instances, we charged more.

2359. That is five per cent. interest and a half per cent. commission?—Yes.

2360. Was that on three months' bills?—Two months' bills and three months' bills.

2361. Sir *J. Graham.*] What is the largest cash credit given to any one individual by your bank and any of its branches?—They vary from 300*l.* to 2,000*l.*

2362. Nothing beyond * * *l.*?—I should think nothing beyond * * *l.*, except in one or two instances; we are not in the habit of making any large advances, or of discounting to any considerable amount, to individual parties; and I attribute our success in keeping clear of loss to our advances being very considerably divided, and which makes the risk less.

2363. *Chairman.*] Have you made any advances upon the security of your own shares?—We have not; we consider it decidedly objectionable in principle.

2364. Have you made any advances to persons to whom shares were allotted in order to enable them to pay up their instalments?—We have not in a single instance.

2365. Have there been any advances made to your own directors?—Not a sixpence; we do not do any banking business in London, and consequently have no money for the purpose of making loans to individuals there.

2366. Sir *J. Graham.*] Has your last call been met by any cash credit?—It has not: some parties in the country, having a cash credit, may pay up their call by an order upon their account, provided there is money in it, but in no instance have we allowed a credit for the special purpose of paying the call.

2367. But of that 80,000*l.* which has been obtained by your call, how much has come out of advances on cash credit?—I should say, an extremely trifling amount; I can ascertain the amount and furnish the Committee with it.

2368. *Chairman.*] You stated that, under circumstances of pressure, you felt it necessary in prudence to limit the transactions, and impose restraints upon those who acted for the bank; but by the last account made up to the 31st of December, it would appear that the total amount of your liabilities, as compared with your liabilities upon a similar account, made up for the year preceding, had extended from * * *l.* to * * *l.*; how do you reconcile that fact with the diminution of your business?—I did not state that our business had diminished;

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nished; our deposits have very considerably increased, and our business generally, but chiefly from a junction with private banks.

2369. Your circulation has also increased, has it not, from the sum of * * *l.* to the sum of * * *l.*?—Apparently it has increased, but that is owing to two or three joint stock banks having merged into that of this company. Annexed to the return which I sent in, is a statement of the circulation, showing that there was a decrease.

2370. That note states, that the circulation of the private banks, which have merged into the company, was estimated at * * *l.*; therefore, that there is a decrease in the circulation of the company of * * *l.*, in place of an apparent increase of * * *l.*?—Exactly.

2371. How does that constitute any decrease of the circulation of your company; it may constitute a decrease of the general circulation of the country, but how do you state that to be a decrease of the circulation of your company?—Our object in making that statement was to show that our circulation did not increase from the extension of our issues, but from our having formed a connexion with those private banks. The circulation of the company is certainly increased, but had those companies not been formed there would have been a decrease.

2372. But has it not practically increased?—Certainly, the circulation of the company has.

2373. And, therefore, the liabilities of the company to that extent have been augmented?—No doubt.

2374–2377. Mr. *Clay.*] * * * * * * * * *

2378. *Chairman.*] In the account which you furnished last year, the local bills were stated as * * *l.*; how much do they amount to now?—They are nearly * * * *

2379. Did you not state that they amounted to * * *l.*?—No; I stated that a sum of nearly that amount was chiefly invested in local bills.

2380. How do you account for this great increase of local bills in that interval of time when the bank applied the principle of limitation to its transactions?—By our having taken over a number of private banks, we got a considerable number of local bills; the party indorsed the bills to us.

2381. Then not only is a portion of the * * *l.* connected with the transfer business to you, but a certain proportion of the * * *l.* of local bills is to be accounted for in the same manner?—Exactly; every branch of business has increased from a connexion being formed with those establishments.

2382. Have you taken up any of the branches abandoned by the Northern and Central Bank?—In one instance only, and that was before their embarrassment; that instance is Bristol.

2383. Sir *J. Graham.*] What proportion does the loss upon local bills bear to your loss upon bills payable in London, in your past experience?—I cannot state that without a return from our branches.

2384. Which is the greatest?—I should say upon bills of exchange; the responsibility of local parties we can more easily ascertain.

2385. You consider local bills better paper than bills payable in London?—We generally find that the loss upon them is less.

2386. *Chairman.*] Are they equally convertible?—Certainly not.

2387. They are not bills which you part with upon your indorsement, for the purpose of discounting?—No.

2388. Therefore in proportion as local bills accumulate, in that proportion are the sources of the bank convertible at the moment of pressure diminished?—No question of it; but they should never be allowed to be out of proportion to the available resources of a bank.

2389. Mr. *Clay.*] I observe on the side of liability in this account, bills payable, indorsed on guarantee of the bank, 178,924 *l.* 1 *s.* 11 *d.*; I presume that they are also stated on the opposite side?—They are included on the other side.

2390. In the bills of exchange on the opposite side?—Exactly; I thought that was the fairest way of preparing the statement.

2391. Adding the local bills to the bills of exchange, it makes * * *l.*?—Yes.

2392. Of that amount have you the means of ascertaining what proportion arises from present transactions, and what proportion has been renewed from time to time?—With some trouble I might be able to answer the question. Our practice with regard to past-due bills, is not to allow them to accumulate, but if possible

possible to get them paid; if we do not succeed in getting them paid, we renew them with additional security.

2393. Then the Committee are to understand, that amongst the bills stated exclusively of over-due bills, there are bills which have been renewed in the mode you now describe?—Certainly there is the amount of bills which have been renewed with additional security.

2394. But which you have not stated of course under the head of over-due bills?—Exactly. They are not included under that head until they are actually over-due.

2395. Could you state to the Committee what proportion of the total sum of 821,000 *l.* had been for bills thus renewed?—I cannot state it without a return from our branches, but I do not think the amount is at all considerable.

2396. Can you furnish the Committee with that information?—I will endeavour to do so. One of our instructions to our manager, is, "The manager must, on no account, discount to a party having past-due bills; all outstanding obligations must be settled before any fresh transactions are entered into." It is the practice of all bankers to endeavour, if they cannot get their past-due bills paid, to get them renewed upon additional security.

2397. But may not also an additional portion of those bills be in fact renewed bills, without your knowledge, inasmuch as, by an arrangement between the parties to those bills, and another party who may be willing to assist them, money may have been provided for bills falling due by others being substituted in their stead?—There may certainly be bills renewed without our knowledge; but our manager has no object in concealing from us his conduct in that respect.

2398. The Committee only wish to call your attention to this point, that, in addition to the bills stated as over due, there may also, among the amount of bills which you have returned to the Committee, be two descriptions of renewed bills; first, those which you yourself have renewed, and secondly, those renewed without your knowledge?—There may certainly be bills renewed without our knowledge, and very properly so. It not unfrequently happens, especially in these times, that a party does not consider it advisable, or probably cannot dispose of his goods, and waiting for a better market, he would naturally require some renewal, which our manager, satisfied with his responsibility, would give him, without reference to London.

2399. At all events you can furnish the Committee with such bills as you yourself have renewed?—I can.

2400. *Chairman.*] Would it be one of the duties of your inspector, on going to the branches, to ascertain whether there had been many renewals of past-due bills, upon the authority of your manager, without communication with the board?—Certainly.

2401. If your inspector found, and reported to you, that there had been, in a particular place, by the authority of the manager, the practice of renewing those over-due bills, would that be made a matter of observation?—Certainly; we should consider it a matter for censure.

2402. You have stated to the Committee that your bank was induced to issue those small shares of 20*l.* mainly from the competition of other banks issuing such shares; do you consider that it would be expedient, in any revision of the law, that the issue of small shares should be prohibited by law?—I certainly do not consider it expedient to issue shares of a small amount; at the same time the amount of the share, and the amount of the capital, must in a great measure be regulated by the trade of the particular locality.

2403. Does not the circumstance of the trade of the locality rather refer to the amount of capital that you would employ in that locality, than to the system upon which that capital was raised?—Chiefly to the amount of capital; but it might also be desirable to have smaller shares in some districts than others.

2404. You have stated the facility with which you have raised the additional capital required for your bank, by the call which you made in the month of December last; do you consider that the security of your bank has been augmented by reason of your having a power of making that call, or that, if all your capital had been absolutely paid up, your condition would have been better or worse than it has been?—Decidedly worse.

2405. Then you consider the power of making a call to add to the security of the bank and of its customers?—I decidedly think so: we could not ascertain

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the amount of capital necessary for carrying on the business of the bank at the outset; it could only be ascertained by experience.

2406. Were not the circumstances under which you made this call, the state of the money market in the month of December, as unfavourable to the payment of the call as can well be imagined, from the circumstances of the times?—I should say so, decidedly; but I must observe, that the call was made payable after the dividends came out, in January.

2407. And yet, notwithstanding those difficulties, you received 80,000 *l.* out of the 100,000 *l.* which you anticipated?—Yes.

2408. And you fully expect payment of the balance, namely, 20,000 *l.*?—We certainly do, by the 15th of this month.

2409. Mr. *Clay.*] When you state that your situation would have been worse if your whole capital had been paid up, do you conceive that it would have been worse if you had had the money which you have now called for in your hands in the month of December?—If we had been necessitated to make this call, our situation would have been decidedly worse, if our capital had been a paid-up capital; but we did not make this call from necessity, but upon the urgent recommendation of the shareholders, who wished to see the capital increased on account of the number of our branches.

2410. Are you not in that case assuming, that your whole capital being paid up, before that can put you in a worse situation, it must be that you have traded beyond it?—I can conceive that a bank may have commenced its operations, and have a certain amount of paid-up capital, and yet find it legitimate enough to extend its business, and then of course it would be necessary to increase its capital; if it had not the power of doing so, it would very likely overtrade.

2411. Supposing the whole capital being paid up, it would then not be necessary to extend its business?—Then there is a chance, if a bank commences with the whole paid-up capital, that it will not find sufficient business to employ its capital; and therefore the better plan is to commence a bank with a certain portion of capital paid up, and to add to that amount in the event of its finding it necessary to increase its business.

2412. In the case of two banks, each of which should have a capital of 500,000 *l.*, one whereof should have half the capital paid up, and the other the whole, and both should have engaged in the same extent of business, which would be in the safer situation?—I should certainly say, the bank with the capital paid up; but my observations have reference to the commencement of a bank in a particular district: to commence a bank with a large paid-up capital, you might find in the course of its operations, that it could not employ that money, whereas, if you commenced the bank, in place of 500,000 *l.*, with 250,000 *l.*, it might extend its capital as its business extended; its capital would keep pace with the extension of its business.

2413. Then the Committee are to understand, that when you talk of the bank being in a worse situation, it resolves itself into this: that a bank commencing business with the whole of its paid-up capital, might not for a time know how to employ that capital advantageously?—Even ultimately, it might have a difficulty in employing the whole of its capital.

2414. Then the inconvenience results from the want of profitable employment of paid-up capital?—What I mean is, that in commencing a bank, I should have a large nominal capital, proportionate to the extent and trade of the district; and I should commence with paid-up capital, such as I thought necessary to begin with; if I found it necessary to extend the business of the bank, I would make further calls upon the proprietors, and make the amount of the capital of the bank keep pace with the extension of the business.

2415. Does not that resolve itself into what would be the answer to the previous question, namely, that the whole inconvenience of a paid-up capital is that a bank might not know at first how to employ it advantageously?—That is not the only inconvenience; there is another very serious inconvenience. Suppose a bank commenced with a certain sum of paid-up capital, and has not the power of increasing it; if it was too much there would certainly be an inconvenience in not being able to employ it, which might lead to imprudent investment; but a much more serious inconvenience would arise in not having the command of more capital, should a pressure in the money market take place.

2416. Does not the latter inconvenience depend upon this circumstance, that they should have traded beyond their capital?—A necessity for additional capital

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may arise from overtrading, and it is proper to provide for an error of this kind by having a large nominal capital; and besides, a bank may very legitimately extend its business; it is impossible for the directors, in any establishment, exactly to ascertain the amount of business which the bank will require in the course of its operations.

2417. Recurring to your answer to a former question, supposing the business of the bank is commensurate with its capital, will not the bank that has the whole of that capital in hand, be safer than that which has only half in hand?—If the bank has extended its business improperly, and out of proportion to the amount of its paid-up capital, it is certainly in a worse situation than if it had a capital paid up commensurate with the extent of its business.

2418–19. Is not then the only inference from that, that the bank will not be in a worse situation, having its whole capital paid up, unless its operations are more than commensurate with that capital?—I can best answer the question by stating my opinion as to the proper mode of establishing a bank: I should commence a bank with a certain nominal capital, of which a certain portion should be paid up; an amount that I conceived sufficient for the operations of the company in the first instance; but if in the progress of the establishment, I found that I could legitimately extend its business to the advantage of the proprietors, and to the advantage of the district in which it was placed, I certainly then would increase its capital, by a call upon the proprietors. If I commenced a bank with the whole amount of paid-up capital, I might find that I did not get business commensurate with the amount of that capital, and on the other hand, I might be induced to extend the business out of proportion to the capital paid up, and in time of pressure, I have no resource to fall back upon.

2420. Sir *James Graham.*] At the moment of pressure, can a bank have better creditors than proprietors who have paid up 35 per cent., and must lose that 35 per cent. unless they obey the call within four months?—The deeper the stake which a party has in a bank, the greater will be his anxiety for its prosperity, as well as his exertions to preserve its credit in a time of difficulty.

2421. *Chairman.*] Looking to the returns which have been before Parliament, can you name a bank to the Committee of which the whole amount of the shares were actually subscribed for, and the whole amount upon each share was paid up?—Yes.

2422. What bank is that?—The Northern and Central; and I conceive that if they had been in the situation I allude to, their stoppage would not have taken place.

2423. Had the amount of capital which was raised by the Northern and Central Bank, which was between 700,000 *l.* and 800,000 *l.*, been raised upon 50 *l.* shares, on which 40 *l.* have been paid up each, do not you think that the additional 10 *l.* would have been available for the purposes of the bank, and have been an additional security to the persons who had demands upon that bank?—I certainly think so.

2424. Mr. *Clay.*] Do you believe that the difficulties of the Northern and Central Bank being known, they could have collected money by calling upon their shareholders to save them from stopping payment?—I have not a doubt of it, if they had the power of making a call.

2425. Do you know what length of time was required for the call?—I do not know.

2426. Is there not this difference between the circumstances in which the Northern and Central Bank was placed, and the circumstances in which the National Provincial Bank was placed, that the call in the former case must have been made at a moment when they were notoriously in difficulties, whereas your bank made a call when your credit was good?—Yes; there is that difference if they delayed making the call until their difficulties were known; the probability is however, that the call would have been made before their situation was publicly known. I think that a bank, if it happens to get into difficulties, the directors are bound to appeal to the proprietors, and the proprietors will no doubt take steps to protect their own property.

2427. *Chairman.*] If those proprietors are subject to liabilities to the full extent of their individual property, which is the existing state of the law, will they not be more ready to pay up the call than by declining to pay the call to endanger the credit, if not produce a stoppage of the bank, and thereby subject their whole

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property to the unlimited responsibility to which it is exposed?—No question of it.

2428. Mr. *Clay*.] Was not that mode of unlimited liability, and the fear of inconvenience which would result from the stoppage of the bank, a motive which still might have operated upon the proprietors of the Northern and Central Bank?—It might have operated upon them; if a meeting of proprietors had been called, they might have found it to have been their interest to have prevented a stoppage.

2429. *Chairman*.] Do you think you have the same motive of operating upon the proprietors to make advances in the case when they were not bound to make them, where the whole capital was paid up, as in the case where they were liable by the deed of settlement to pay up further calls, and were subject to the forfeiture of their own shares if they did not make them?—There is a very great difference; in the one case it is optional with the proprietors, in the other it is not.

2430. Sir *J. Graham*.] Have you any doubt that those proprietors who must pay up the call which you have made before the 15th of the present month, or forfeit their shares, and who may find some difficulty in obeying that call, will be assisted by their friends, to prevent the forfeiture?—I have no doubt they would, because the sum paid up is very considerable.

2431. Would not great exertion be made by friends to prevent such forfeiture?—I have no doubt it would.

2432. Mr. *Clay*.] You have stated that, upon some of the fresh shares you have issued, there has not been a large amount of the shares paid?—From 50,000 *l.* to 60,000 *l.*; 70,000 *l.* is the amount to be paid, and upon that, from 50,000 *l.* to 60,000 *l.* has been paid.

2433. Then there is from 10,000 *l.* to 20,000 *l.* unpaid?—Yes.

2434. Has the period passed by which the forfeiture of those shares has been incurred?—Yes; but the directors have not forfeited the shares; they consider that, under the circumstances, the parties are entitled to the indulgence.

2435. *Chairman*.] Have you as good a security in making the first call or the second call as you would have in making the fourth or fifth call of 10 *l.* upon each share?—Certainly not; the greater the amount paid up, the greater the security.

2436. Mr. *Clay*.] If your bank were at this moment notoriously in difficulties, for instance, if it was supposed that a considerable part of your paid-up capital, or the whole of it, had been lost; that your shares therefore were at a considerable discount in the market, a discount equivalent, perhaps, or nearly so, to the amount paid up; in such a case, do you think the call would be obeyed?—I should think it would to a considerable extent; we had the assurance, during the late pressure, that very considerable advances would have been made to us by our proprietors, even though no call had been made, provided the bank had been in difficulties.

2437. Is not the situation which the last question supposes, that under which alone a call must ever be made, to meet the difficulties of a joint stock bank, namely, those difficulties being known to the public, and the shares of the bank at a discount?—Certainly, to meet difficulties or an extension of business.

2438. *Chairman*.] Supposing your bank, or any bank well managed, anticipated a state of things in which an additional capital would be required to meet their engagements, having the power of making a call, would it not make the call by anticipation, in order to avert the inconveniences of pressure, which have been suggested by the last question?—No doubt of it.

2439. Therefore the power of making a call appears to you as useful in averting inconvenience as it can be in remedying it when it is already incurred?—It certainly does appear to me so.

2440. Sir *J. Graham*.] That has been your conduct in the last three months; the call was made in anticipation of a difficulty, and not arising from a difficulty?—Certainly, it was made in anticipation of difficulty.

2441. You have averted all difficulty by your call?—We certainly were not in difficulty when we made the call; but the call has placed us in a more independent and powerful situation.

2442. Mr. *Jephson*.] Will you explain this item of 178,924 *l.* 1 *s.* 11 *d.*, bills bearing the guarantee of the bank; were those bills which were indorsed by the bank for the accommodation of individuals, and on which the bank charged a commission, or were they bills which the bank passed away from themselves for their own convenience?—Bills which the bank re-discounted in London.

2443. Sir

2443. Sir *J. Graham.*] Supposing a proprietor of a bank is liable to pay up 100 *l.*, and he is called upon to pay only 35 *l.*, in your opinion does the 65 *l.* balance turn to more account in a given time in his hands than if it were paid up in full, and placed in your hands in the management of the bank?—Unless we required additional capital, the proprietor might turn the 65 *l.* to more advantage by employing it in other investments. *Daniel Robertson, Esq.* 9 May 1837.

2444. In a given time would it yield more profit in the hands of the individual or in yours?—It seems to be a question for the consideration of the individual. I should say, that if with the 35 *l.* paid up, the bank had a sufficient capital for its business that the individual might turn the 65 *l.* to more account otherwise, for example, it could be more usefully and profitably employed in a bank short of capital than if it was invested in a bank which had a sufficiency of capital without it.

2445. Then, on the whole, you would not be favourable to calling up the whole 100 *l.* in preference to leaving the portion which is not wanted for the immediate use of the bank in the hands of the individual?—I should certainly not; only such an amount as the interests of the bank required.

2446. *Chairman.*] Supposing a bank were required to pay up the whole amount of its capital before it commenced business, it would then have the maximum of its capital applicable to what would probably be the minimum of its business; do you consider that that state of things might lead to want of caution and prudence on the part of the bank?—I should think that it is calculated to lead to a want of caution in lending the money of the company.

2447. Mr. *Strutt.*] Do you think, when a bank is established in any district, that it is possible for bankers to calculate in the first instance what is the amount of capital which they may profitably employ?—I do not think they can, with any degree of accuracy.

Veneris, 12° *die Maii*, 1837.

MEMBERS PRESENT.

Mr. Clay.	Mr. Loch.
Mr. O'Connell.	Mr. Morrison.
Mr. Chancellor of the Exchequer.	Mr. Strutt.
Mr. Hamilton.	Sir J. Wrottesley, Bart.
Mr. Jephson.	

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

James Dwyer, Esq., called in; and Examined.

2448. *Chairman.*] YOU have been in connexion with the Agricultural and Commercial Bank of Ireland?—I have. *James Dwyer, Esq.* 12 May 1837.

2449. What office have you filled?—One of the directors.

2450. Did you always fill the same office?—Yes, and chairman of the Board.

2451. How long have you been in connexion with that bank?—Since nearly the organization of it, but not from the organization of it.

2452. Can you state the exact time at which your connexion with it began?—About the month of June 1834.

2453. Had you previously been connected with any other bank?—I had.

2454. What bank?—The Hibernian Bank.

2455. How long had you been in connexion with the Hibernian Bank?—About two years.

2456. Mr. *O'Connell.*] In what capacity?—Secretary.

2457. *Chairman.*] The Hibernian Bank is not a bank of issue, is it?—No.

2458. Mr. *O'Connell.*] Is it a joint stock bank?—It is. I would take the liberty merely of mentioning, with reference to the Hibernian Bank, that my original connexion with it was not of an official character, nor intended to be so. I was anxious on public grounds for it; and certain gentlemen of the committee

said they would resign, and that the bank would not go on if I did not act as secretary until it was consolidated.

2459. *Chairman.*] Had you ever been conversant with banking affairs before your connexion with the Hibernian Bank?—Never, except having read several of the treatises upon banking as matters of general information and curiosity.

2460. What had been your previous occupation?—I was a barrister.

2461. Mr. *O'Connell.*] Were you a barrister when you became the secretary to the Hibernian Bank?—No; I was in progress to it; I was a student.

2462. *Chairman.*] At what time did the Agricultural Bank first commence?—In the year 1834.

2463. Can you state in what month?—I think it was in the month of May. It may be shorter perhaps for me to state, that I had nothing to do with the prospectus of the Agricultural Bank; it was put in the public papers, where I first saw it, by Mr. Mooney.

2464. Where did the Agricultural Bank first open?—It first opened its branch at Nenagh.

2465. At what date?—On the 1st of November 1834.

2466. You were in connexion with the bank at that period as a director?—I was, as a director and as a member of the consulting committee.

2467. Mr. *O'Connell.*] Is there a distinction between a member of the consulting committee and a director?—No; they call them directors or members of the consulting committee.

2468. *Chairman.*] What was the amount of the nominal capital of the Agricultural Bank?—It was a million, with power of extension to five millions.

2469. In what shares did the company propose to raise that amount of capital?—Originally, 5 *l.* shares; afterwards they increased to 10 *l.* and to 25 *l.*

2470. At the commencement it was proposed to raise one million, in 5 *l.* shares?—Yes.

2471. What amount was paid upon each of those 5 *l.* shares?—There was 1 *l.* paid; and it was proposed in the original prospectus, as had been done in many other companies, that there would be collected for outfit, in the first instance, 1 *s.* a share, and that the remainder would be called up by instalments of 10 *s.* each. That was the structure of the prospectus.

2472. Was such the mode in which it was proposed to raise the capital at the time that you joined the company?—It was.

2473. Was such the mode in which it was proposed to raise the capital at the period of your commencing business at the bank at Nenagh?—It was, as to the nominal amount of shares.

2474. Can you state what number of shares were subscribed for or taken by the public at the period of the commencement of business?—I think the subscriptions, as far as the names and engagements went, amounted to twenty or thirty thousand; the actual amount paid up was very small; I do not think it exceeded 3,000 *l.*

2475. Mr. *O'Connell.*] Are you able to say that it amounted to 3,000 *l.*?—I think I might, but I do not know it.

2476. It has been alleged that it amounted only to 1,800 *l.*?—I believe that is not true.

2477. *Chairman.*] Do the books of the company furnish the means of showing the periods at which the several instalments were paid up?—The present books undoubtedly do; the early books, from some confusion in the precipitation with which the company was pushed forward, were not kept in that regular state which bankers or merchants would wish, but I believe they do state it; but as well as my recollection and knowledge enable me to state, it was from 2,000 *l.* to 3,000 *l.*, and the amount of subscription for shares by parties and under letter, and which they said would be paid up when the bank opened, was from 20,000 *l.* to 30,000 *l.* or 40,000 *l.*

2478. Mr. *O'Connell.*] If the present books tell what it is, and the original books do not, how have the present books been made up?—I did not say that the original books did not tell, but I said that the original books were not, to my knowledge, kept in that regular state that with precision I could answer, but I believe they do tell.

2479. *Chairman.*] Was there a registry kept of the list of subscribers, and of the amount of the shares which were given to those subscribers?—There was a registry

registry of the amount of applications for shares, and of the letters engaging to take shares.

2480. Does that registry exist?—I believe it does.

2481. In whose custody?—The secretary's, I believe.

2482. Who is the secretary?—Mr. William Hughes.

2483. Where does he reside?—In Dublin, in Fleet-street; and Mr. Brierley, accountant, has also custody of the original minutes of proceedings.

2484. Mr. *O'Connell.*] Did the 2,000 *l.* to 3,000 *l.* which you spoke of include the shilling outfit upon each share?—I believe it did.

2485. *Chairman.*] You made further calls beyond the first subscription of the 1 *l.*, did you not?—Yes, another call was made; it was made subsequently to the publication of the first Report of the Joint-stock Bank Committee, which stated the very proper necessity of companies with extensive branches having sufficient paid-up capital; and we had at the time of the publication of the Report upwards of 330,000 *l.* paid, and upon the publication of that Report, and also from the state of the pressure in the money affairs, the directors did judge it imperative to make a further call upon their proprietors, and so submitted it to the half-yearly meeting in October 1836.

2486. There was no call made in the interval between the formation of the company and October 1836?—None, excepting the second call of 10 *s.*, making 1 *l.* per share.

2487. Therefore, up to that period, 1 *l.* per share, together with 1 *s.* for outfit, was the total amount of capital received by the company?—Yes, amounting to upwards of 330,000 *l.*

2488. Sir *John Wrottesley.*] How many shareholders was that divided amongst?—A gentleman took 300 shares, and he paid 300 *l.* for his first instalment, and was responsible for 1,500 *l.*

2489. Was any of that money paid out of the assets of the bank?—None.

2490. You are quite certain of that?—Quite certain, as far as my knowledge extends; and I do not believe there ever was anything paid out of the assets of the bank.

2491. *Chairman.*] Was it a rule of your bank that your managers should take shares?—It was, as a qualification for office.

2492. Do you know whether they paid the amount of deposit due upon those shares out of their own funds?—Yes, in every case that I am acquainted with.

2493. Did they pass any notes to the bank?—In some cases they did; I could mention one or two cases as instances, but generally they paid the money as a qualification.

2494. In those cases in which they passed notes to the bank, will you explain the nature of that transaction?—They stated that they were otherwise proper officers, and that their convenience did not enable them to pay the money in cash, but that if their note was taken, the amount of the qualification shares might be either deducted from their salary by instalments of 50 *l.* a year in lieu of the note as it became due, or that they would pay it when they were able, from their private funds, to pay it.

2495. Was it in point of fact paid?—It was in very few cases that the notes were taken; I believe in not more than two or three.

2496. Will you state what those cases are?—Mr. Weldon, of Ennis, who was strongly recommended by Mr. O'Brien, the member for Clare, and stated to be a very fit man for his situation, but that it was not his convenience, although he was a respectable man, to pay the money; and I presume that the gentlemen who drew up the prospectus looked upon it as a species of security for the managers to hold shares, and therefore that it was desirable to have the note if they could not get the money as a tie for his fidelity.

2497. Sir *John Wrottesley.*] Did not the deed of settlement expressly declare that the managers should have a certain amount of paid-up capital?—The deed of settlement declared that the managers should hold 300 shares, and the inference was, that they certainly should pay for the shares; but I merely mention this myself, because I have my own opinions as to the propriety of the structure of the original prospectus; but as far as the original prospectus was concerned, I had nothing to do with it, and never saw it till I saw it in the public paper; for I did not think it a very prudent thing to have managers shareholders.

2498. You thought it an improper construction of the deed of settlement to take notes of hand in lieu of money?—I think that was a matter vested in the board

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board of directors as a matter of discretion, as they would vest any other matter that was pertinent to the company.

2499. *Chairman.*] You have stated the case of Mr. Weldon, can you state any other cases of the same description?—There was one case which I should mention, of a person considered a most competent manager by the gentlemen who know him best, who did not take shares at all; that is Mr. Dundas, of Belfast; but he originally, I understand, entered his name in the list of shareholders, at Belfast, for 500; and it has only subsequently come to my personal knowledge that he struck out his name afterwards from the list of subscribers, and in point of fact, never paid his qualification. The part of the direction that the gentlemen delegated to me was mostly the correspondence; and I was not acquainted, or I would have taken notice of it, with the fact that Mr. Dundas had struck his name out of the list for 500 shares.

2500. Sir *J. Wrottesley.*] He continued to be manager?—Yes; he was employed by the directors at one period; they did not exactly think that he sufficiently recognised the authority of the central board; they had differences of opinion from the time the Belfast branch opened, and he resigned his situation, and at the request of the committee of Belfast the directors replaced him; he subsequently and latterly has resigned again to become a director of the Northern Bank.

2501. *Chairman.*] Do you recollect any other case similar to that of Mr. Weldon, or to the case of Mr. Dundas, in which either the instalment was paid for by the bill of the party, or in which he did not take shares?—I do; Mr. Fallon, of Tipperary.

2502. In what way were his shares settled for?—They have not been settled for to this time, for he was a man that was very competent in business, but he had a large family, and he represented it to the directors as a case of pressure if he was obliged to take shares, but that he would, when his salary was increased, allow it out of his salary.

2503. Did he ever take them?—He never paid for them till the present time.

2504. Sir *J. Wrottesley.*] Did he give a note of hand?—He did not.

2505. What was the amount of his salary?—£.150 a year.

2506. *Chairman.*] Do you know any other case in which a note of hand was passed to the bank for shares except that of Mr. Weldon?—I do not recollect any other.

2507. Were the directors or the members of the consulting committee bound to take shares also?—They were; 300 each.

2508. Were those shares taken by them?—They were by the majority of them; I took my shares and paid for them, 500; I never have bought or sold a share in the company, except as originally taken from the bank.

2509. You have stated that they were taken by the majority; by the minority were they taken?—There were two of the original directors, who are not directors now, and who have not been from November 1835, they passed bills for their stock, and never paid those bills.

2510. * * * * * * * * *

2511. *Chairman.*] In those cases they passed bills for the amount of their shares; were those bills carried to the bill account of the company as part of the assets of the company?—To my recollection or knowledge, they were; the gentlemen, on account of not paying the bills when they became due, were called upon by myself and colleagues to resign, and withdrew from the company. Mr. A., subsequently to his withdrawing from the company, turned out unfortunate, though he was originally of very good property, as we thought, and he has quitted the country, I believe, or he is at present in London not known; Mr. B. is at present in Dublin, and is reckoned, though not, I believe, directly responsible for his bill, the son of a very responsible and wealthy merchant; but we made him withdraw.

2512. Were any steps taken to recover the amount of those bills?—No; not deeming that they would be attended with a beneficial result.

2513. Do those bills still exist among the assets of the company?—I believe they do.

2514. And form part of the assets reported upon by the auditor?—£.630 is the amount of the two bills; and I believe they form a part of the assets reported upon.

2515. Mr.

2515. Mr. *O'Connell.*] Were you apprized of any practice of discounting a small bill or note for a person declaring himself a shareholder, and stopping 1*l.* and 1*s.*, making one guinea, for the deposit upon his share?—At the branches in the country, persons getting up what we call the branch or subscription, wrote up to the committee that so many shareholders presented themselves, and I understood that they had in some instances, but not many instances, taken a bill from the party, given in part of it, and deducted the remainder for whatever shares he took.

2516. That is, they have taken a bill of from 5*l.* to 10*l.*; they stopped the discount of course, and also stopped 1*l.* and 1*s.* from the party?—Yes, in some cases; the structure of the bank was, to embody the agricultural population in it, and therefore it got those parties interested in that way.

2517. Could you form any estimate of how much of the paid-up capital consisted of deposits paid in that manner?—I could form a supposition, but I have no real data for forming it upon; but taking the present paid-up capital of 330,000*l.*, I should say that it did not exceed 5,000*l.*

2518. You do not speak that from data?—I speak it from this, that whenever I heard it done, I individually made the remark that I thought it was a practice that ought not to be pursued.

2519. Have you any reason to know that, in the county of Kerry for example, it was a very extensive practice?—I do not think it could be very extensive, because the entire stock that was subscribed at the Killarney branch, which was the branch we had in the county of Kerry, did not exceed, I think, in all 1,800*l.*, and it was done there with the farmers in some cases, but not I believe in a great many, to my knowledge; in Tralee, the constituency is more respectable, and I do not believe that it has been done in Tralee.

2520. You did not open a branch in Tralee?—No; nominally they did open, but not really.

2521. The bank was to open on the day that the news of the stoppage came?—Yes.

2522. Were you at all apprized that at Mallow, as well as at Killarney, there was a refusal to cash small notes unless the party had become a shareholder?—I have heard it, but I did not know it; and I have heard the remark made with respect to Mallow, and as far as I was individually concerned, I certainly never approved, but the contrary, of the practice.

2523. Mr. *Jephson.*] How do you reconcile that with your previous statement, that the system of obliging parties who wished to discount in your bank to take shares in it originated from the intention on the part of the directors to unite themselves as much as possible with the agricultural part of the country?—To my knowledge it was not made a matter of obligation.

2524. It was not made a matter of obligation of course, because no person was obliged to discount at the bank; but it was made a matter of necessity if he did discount at the bank?—Yes: I believe that in the early stages they made it a practice to discount for none but shareholders; and it is fair to say, in regard to myself, that I always not only disapproved of it, but, as far as my influence could go, attempted to check it.

2525. Mr. *O'Connell.*] You must have known that such a practice prevailed, if you attempted to stop it?—Yes, I knew it, because the manager stated that he had done so; and as far as an individual went, I did disapprove of it, and endeavoured to check it.

2526. The other directors knew of it, and overruled you?—They did upon that question. It was in the early stages that it was done, and I do believe that it was done as an inducement to persons to become shareholders; but in the subsequent stages, when the capital increased to 350,000 *l.*, the being a shareholder was not made a condition precedent to discounting.

2527. Mr. *Hamilton.*] Then, in point of fact, the practice was to a certain extent checked?—It was.

2528. *Chairman.*] Was there ever any resolution entered into on this subject or proposed at the court of directors of which you were a member?—I do not think that there was.

2529. If it was brought under discussion at the court of directors, your opinion being adverse to it, was overruled by the opinion of other directors favourable to it?—It was done in the early stages, and has not been done since, to my knowledge.

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2530. Can you state who were your brother directors in the early stages of this bank?—I can: first director was Mr. Thomas Dixon, of Abeyline, in the county of Dublin; Mr. Scanlan; Mr. M'Gusty; Mr. Smith, of Fitzwilliam-place; Mr. Kelly, of Tuam; Mr. Chambers, of Abbey-street, merchant; Mr. Jones, of Dame-street, partner in the house of Nott, Ferguson & Co., tea merchants; Mr. Mooney, of Francis-street, was the original projector of the company, he is not now a director; and myself.

2531. You have stated the name of Mr. Chambers, of Abbey-street, merchant; what is his Christian name?—John Chambers; he is a stationer, extensive and respectable.

2532. Is there not another John Chambers in Dublin?—No; there is a Mr. James Chambers, who is in the Bank of Ireland.

2533. Does he reside in Abbey-street also?—No, in Great Denmark-street.

2534. You have stated that Mr. Mooney was the original projector of the company?—He was.

2535. What occupation was Mr. Mooney's?—A flour factor and baker.

2536. Is that Mr. Thomas Mooney?—Yes.

2537. Is there another gentleman of the same name in Dublin?—There is, who is accounted by reputation to be, and I believe is, a very wealthy man, living in Pill-lane.

2538. Mr. James Chambers, of the Bank of Ireland, is also a gentleman of considerable eminence and fortune?—He is, and a gentleman very highly esteemed.

2539. Mr. *O'Connell.*] He is a director of the Bank of Ireland?—Yes.

2540. *Chairman.*] Therefore you had two gentlemen identical in their surnames with two others, Mr. Chambers and Mr. Mooney, residing in Dublin also?—Yes; but the residences in any publication that I have seen were stated as being Francis-street and Abbey-street, and their Christian names were stated.

2541. Are the two Mr. Mooneys of the same Christian name?—They are; "Thomas Mooney."

2542. Mr. *O'Connell.*] And the initials of the Christian names of the two Mr. Chambers are the same?—Certainly.

2543. *Chairman.*] What power was exercised by the court of directors over the establishment generally; had they a general controlling power over the whole operations of the branches?—They had, as a court of directors, as I understand, by the structure of their deed, the same control as the Provincial Bank or any other joint-stock bank had, except those on separate companies.

2544. Will you give to the Committee the dates of the establishment of your respective branches?—That I should find it a little difficult to do without reference. After Nenagh, there was the branch at Ennis opened about six weeks after. I may state generally, that the branches were opened in the localities, according as the localities subscribed what we deemed sufficient, and then they called upon the committee, promising support, to open a branch, and probably there was about an interval of two months between each of the first 10 branches; but I can furnish to the Committee, of course, in writing, the dates of the formation of the respective branches.

2545. Could you from three months to three months, in reference to the establishment of your respective branches, furnish the Committee also with the amount of paid-up capital at the command of the bank?—I think I can.

2546. Before you opened a branch, did you require any particular amount of paid-up capital to be contributed by that branch or by shareholders in its immediate vicinity?—We did.

2547. What was your rule on that subject?—It was according to the size of the place. In the small agricultural branches it was generally 2,000 *l.* paid as a subscription upon the shares or the first instalment, 1,000 *l.*; that represented as nominally subscribed from 8,000 *l.* to 10,000 *l.*, but we required 2,000 *l.* to be paid; but in most cases, though we required that, it would generally happen that the first instalment would be paid, amounting to 1,000 *l.*, they promising to pay the second when the bank opened.

2548. Was there provision in your deed of settlement with respect to the forfeiture of shares in case of any neglect of paying the instalment?—There was.

2549. Were the instalments upon the shares paid up so as to preclude forfeiture under that clause in the deed of settlement?—They were, except as to the

the call about which there has been a contention, made under pressure in last October; but the former instalments upon the shares were paid, except in some very few cases indeed of small amount, and no case of forfeiture occurred, as I recollect.

2550. Can you state the number of shares which were subscribed for at the period of your opening your branch at Nenagh?—The amount of subscriptions in letters received were from 20,000 to 30,000 shares, but the money paid did not exceed, to my knowledge, from 2,000*l.* to 3,000*l.*

2551. You have stated to the committee that there were some variations made at a subsequent period in the nominal value of the shares; at what period were those changes made?—The changes were made in about the month of March or April 1836; the shares were increased to 10*l.* shares immediately after a similar step had been taken by the Provincial Bank directors in London, and having seen that, it was certainly an inducement to our committee to issue 10*l.* shares, they feeling that they would not have done it if they were not a species of shares that was proper, and was facile of issue.

2552. You made a subsequent alteration, did you not?—We did; we raised the shares to 25*l.*; that was in the month of April 1836.

2553. Are the Committee to understand that this was a new issue of shares beyond the original million, that it was part of the second million which you had the power of issuing?—No, it was part of the first.

2554 But in place of issuing them in 5*l.* shares, they were issued first, in 10*l.* shares, and finally, in 25 *l.* shares?—They were issued first in 5*l.*, then in 10*l.*, and then in 25*l.* shares.

2555. What was the date of the alteration?—April and May 1836; the British 25 *l.* shares in November 1835; and that was in pursuance of the original power given to the directors to allocate the stock in such proportions as might be deemed by them proper by experience; and I would take the liberty of stating here, that I always, as an individual, disapproved of the small nominal amount of the shares, 5*l.*, and at the very first public meeting that was held I stated my objection.

2556. Mr. *O'Connell.*] Had the making the amount of the shares 5*l.* any connexion with the stock-market in England, with a view of making it a disposable article?—I think the issue of the 10 *l.* shares had, for the court of directors of the Provincial Bank had resolved upon issuing 10 *l.* shares, and that did induce the board, seeing that further capital was necessary, to allocate the stock in 10 *l.* shares to the amount of 150,000 *l.*

2557. Was a person of the name of Hardie, who was connected with the Northern and Central Bank, consulted on this point of raising the shares?—There was public notice given in all the papers, English, Irish and Scotch, and general meetings of the company held in pursuance of such public notice, and I do believe Mr. Hardie knew of it at the time.

2558. Was Mr. Hardie instrumental in the arrangement, with a view to the English stock-market?—He was, as regards the 25 *l.* shares.

2559. He took a number of shares himself, did he not?—He and his family paid 20,000 *l.*

2560. They actually paid it?—They actually paid it; that was in the month of November 1835.

2561. How did he pay it, in money or bills?—He paid 10,000 *l.* in money, and he paid 10,000 *l.* in bankers' bills on London.

2562. All of which have been paid?—Yes; but perhaps it would be right in me to say here, that Mr. Hardie afterwards got an advance from the bank, which still is outstanding, of 6,000 *l.* as a cash credit, leaving the total amount paid by him 14,000 *l.*, he owing 6,000 *l.* to the bank.

2563. *Chairman.*] Do you recollect the date of your deed of settlement?—I do; the first deed was the 1st of December 1834.

2564. Was that signed by all your shareholders?—No.

2565. In what proportion was that deed of settlement signed?—There were very few signed it; there was great objection to signing deeds at that time; in fact, it may not be out of place to mention, that there was a public contention with another bank, and perhaps we very erroneously took that up rather warmly; the consequence was, that the public debates in the papers prevented the shareholders from signing the deed.

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2566. Have they since signed the deed?—No; the deed is signed by some, that is, the deed of 1836; subsequently by about 600, not by all.

2567. Mr. *O'Connell.*] Did Mr. Hardie require any bonus from you in taking such a quantity of shares?—Not to my knowledge, and I do not believe he did; it was our manager, Mr. Mitchell, who transacted the matter with him; he remitted 20,000 *l.*, and stated Mr. Hardie had taken the shares.

2568. At what price were the shares?—At par.

2569. Were they not selling at a bonus at that time?—Not to my knowledge, but subsequently to Mr. Hardie taking them, he being a great speculator in banking, they did rise to a premium of 2 *l.* or 3 *l.*, and Mr. Hardie wished us to raise them to a premium of from 3 *l.* to 5 *l.*; we had a letter from him to that effect; but of course the directors did not interfere in the matter, except that, whatever the premium was, the company issued them at that, and the premium was passed to the credit of the company.

2570. Can you state how much the company made of profit by the bonus upon their shares?—I think it was about 3,400 *l.*, and Mr. Hardie said that it was the case in England always to increase the bonus, which was not done however.

2571. *Chairman.*] Will you explain exactly what you mean by increasing the bonus, and how that could be done by the directors themselves?—When all the shares which had been allocated, for instance the 100,000 *l.* allocated in shares of 25 *l.* each, for Great Britain, and when all the stock was not issued, suppose there was 80,000 *l.* paid out of the 100,000 *l.*, then upon the remaining 20,000 *l.* which the directors had to issue, Mr. Hardie, from his information in banks, told us, that according to the demand in the market, the directors would be justified in increasing the premium of issue from the bank itself to a person wishing it, to whatever amount we could; in fact, he named from 3 *l.* to 5 *l.*, but the directors did not interfere upon the subject.

2572. Did the parties who are named in the first deed of settlement as a consulting committee, of whom you were one, sign that deed of settlement?—They did.

2573. I will mention some of the names; Mr. Tilly, did he continue as a director?—He did till the month of November 1835, when he became, in fact, alarmed at the state of the bank; he did not conceive it satisfactory, and he insisted upon retiring and transferring his shares; he subsequently, however, in the year 1836, at his own solicitation, was made a director again, and is now a director.

2574. There was a Mr. Boyd, was there not?—Mr. Boyd was named, but he never executed the deed. I made a mistake in saying that all the members of the consulting committee executed the deed.

2575. Did Mr. Childers execute the deed?—I believe he did.

2576. Did he continue a director?—No; he paid the amount of his stock, but we had some knowledge that he was a gentleman a little embarrassed, and at the same time that Mr. Smith was required to resign Mr. Childers was also required, and his shares were paid and he resigned, and never has interfered in the company since.

2577. Mr. *O'Connell.*] Who is Mr. Childers?—Captain Childers.

2578. Has he not been discharged as an insolvent?—Yes; but the shares that he paid for, Mr. Foster in London said that those shares should be settled on his family; previously they were transferred to his trustees, but the money was paid to the bank, and he has never interfered in its concerns since, and owes nothing to the company.

2579. *Chairman.*] There was Mr. Stephen Egan?—He was one of the original committee, but was resident in Roscrea.

2580. Did he pay for his shares?—He did not; sometimes gentlemen have been elected, and have said they will not act.

2581. Did he sign the deed of settlement?—Not to my knowledge; he was one of the country directors.

2582. There was Mr. John M'Namara?—He was a country director, and Kerry, he signed the deed; he is a brother of the Member, Major M'Namara.

2583. Did he pay?—He did.

2584. Mr. John James Bagot?—He did not.

2585. Did he execute the deed?—He did not; he lives out of Dublin, at Rathcoole.

2586. Sir *J. Wrottesley.*] Did those gentlemen execute the office of directors, notwithstanding they had not paid?—They did not.

2587. Never took any part?—They never did. Mr. John James Bagot was one of the consulting committee, but did not act as a member, for I believe that he thought that the bank was to be in the form of a loan-fund; I think it right, as regards Mr. Bagot, to state that.

2588. *Chairman.*] Then are the Committee to understand that the name of Mr. Bagot was inserted in the deed of settlement without his approval or consent?—That I cannot say, for this reason, that I understood Mr. Bagot always to be a member of the committee, and anxious for the success of the establishment; and he was one of the original committee, and was also one of the original trustees named by the public meeting of the 9th of October 1834.

2589. Did you understand that he was a member of the committee, without having signed the deed of settlement or having taken shares?—I did understand that he was a member of the committee, but not one of the directors of the committee; he certainly was a member, and acted with it.

2590. Mr. *Hamilton.*] When you speak of the original committee, do you mean the original projectors of the company?—I do.

2591. Have you given the Committee the names of all the original projectors?—Yes. I have given the name of Mr. Mooney, and he was in fact the original projector. We all joined when we saw the matter in the paper, thinking it a public object, and that it was practicable; and the other gentlemen, together with Mr. Bagot, joined, I believe, on public grounds, solely thinking that it would be good to have small loans among the people. I believe that was his reason; and Mr. Dixon, I believe, joined on similar principles; and the other gentlemen upon those general public impulses that actuated others.

2592. Mr. *O'Connell.*] Who were your solicitors?—Bailey, Wallace & Son.

2593. Did they ever take any shares?—No; but his son-in-law has 1,200, Mr. Dobbs, of Nenagh, which he has paid.

2594. What is Mr. Dobbs, of Nenagh?—A retired captain in the army; he is called Captain Dobbs, and is very well known in that country.

2595. *Chairman.*] Can you state the number of persons who ultimately signed your deed of settlement?—About 580 to 600.

2596. Were there any persons who held shares, but who had not signed the deed?—A great many.

2597. How did that occur; did you not conceive that it was the duty of all to whom you transferred shares to sign the deed?—We did; but from the discussions that took place in the public papers about personal liability, and different publications, we found great unwillingness in the parties to sign the deeds.

2598. Mr. *O'Connell.*] Did any person act for you who neither signed the deed nor took shares?—I have no recollection of any one, but Mr. Dundas, of Belfast.

2599. Do you know a very respectable solicitor, of the name of Dumass, in Kerry?—He is not a manager; he merely acted as a gentleman advising the bank, for which he charges nothing, but as a friend, as he calls himself, to the institution; he gives his advice upon the solvency of parties, but he always declined to be a shareholder.

2600. Are you aware that he has attended constantly to the business of the bank?—I am; we have honorary directors: there is my Lord Bloomfield, an honorary director; and, with his own consent, my Lord Lorton is an honorary director; Lord Kenmare was not an honorary director, but he signed addresses in favour of the bank, and stated himself to be warmly in its favour.

2601. But none of those noblemen attended so constantly to the bank as Mr. Dumass did?—No, I believe not; Lord Bloomfield and Lord Dunally used to attend at the branch, as I have heard.

2602. Are you aware that Mr. Dumass attended constantly?—I am, and that he held no shares, and, on the contrary, declined being a shareholder.

2603. *Chairman.*] You have stated that there were a considerable number of shareholders who took shares, but declined signing the deed of settlement; did the directors take any steps in order to enforce the signature of the deed of settlement by those parties?—They took steps to call upon them to sign it, but I cannot say exactly to enforce it, because they thought that time would make them sign it, and they did not wish to forfeit the shares, which was the penalty pointed out for non-signature of the deed; but they sent it round the

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branches by one of their inspectors, and tendered it for signature at each of the branches.

2604. Do you know what proportion, speaking in round numbers, of your shareholders have not signed the deed of settlement?—I believe a great majority in number, though I do not believe in value; I believe the most respectable of the shareholders have signed, but the small shareholders did not sign it generally.

2605. Do not you consider that the security given by the bank to the public was diminished by reason of the non-signature of the deed of settlement?—I do believe that the security to the public was diminished, at the same time that I consider that the Act of Parliament did afford a security, but not to the same extent as if the deed had been signed.

2606. Had the directors the same control over the shareholders who had not signed the deed of settlement as they would have had over shareholders who had signed it?—I think not.

2607. Did the directors ever communicate to their proprietors generally the fact that the deed of settlement had not been signed by the majority of the shareholders in point of number?—No, not to my knowledge.

2608. Mr. *Hamilton.*] Can you state the number of shares held by the 600 who signed?—I think there were about 100,000.

2609. What would that represent in cash?—£.500,000, and those of the most respectable and undoubtedly solvent I consider.

2610. *Chairman.*] What was the date of your declaring your dividend?—It was in the month of April 1836.

2611. Did you strike a balance of your affairs at that time?—Yes.

2612. Under what authority was that balance-sheet prepared?—It was ordered in the usual way by the board of directors; the accountant and the manager, who was then Mr. Mitchell, were ordered to prepare the balance-sheet, to be submitted to the proprietors in the usual way.

2613. Was it submitted to the proprietors?—It was.

2614. And examined by the directors before it was submitted to the proprietors?—It was.

2615. Mr. *O'Connell.*] Was it verified by the directors by reference to the original entries and the ledgers?—I think not.

2616. *Chairman.*] In what way did they examine it?—I am now stating my recollection of the fact in April 1836; the manager and accountant were called upon to furnish a balance-sheet from the books, accurate and proper; he furnished a balance-sheet to the directors, the directors investigated it, and if any matter upon the balance-sheet appeared to them to require explanation, they called upon the manager and accountant to give such explanation, and upon that being given, and deemed satisfactory, they allowed the balance-sheet to go forward to the meeting.

2617. *Chairman.*] Upon their authority it was presented to the public?—It was.

2618. Have you a copy of that balance-sheet?—Not about me, but there is a record of it.

2619. Mr. *O'Connell.*] Do you not keep a book in which you have a perpetual balance-sheet?—Yes, the balance-sheet is of course at the office of the company.

2620. And the book in which the perpetual balance-sheet is entered?—Yes. [*The Witness was ordered to send for the balance-sheet and book.*]

2621. *Chairman.*] In striking that balance-sheet, was any amount written off for bad debts?—There was, as well as my recollection serves me, an allowance made for bad debts, and I presume written off.

2622. To what extent were the bad debts at that period written off?—I am not prepared to say; perhaps it would be right to state, that at our first meeting there was no dividend declared for the first year; it was in April 1836 that the first dividend was declared, which was at the rate of 5 per cent.

2623. Did you state the amount of bills that you had on hand in that communication to the proprietors?—Yes; it was stated in the general way of assets and liabilities, and a detail made of the items of assets and liabilities.

2624. Sir *J. Wrottesley.*] How do you explain the per-centage on bad debts?—The way I consider that it was done, or in which it would be proper to do it, would be to take, from the personal knowledge of the directors and their manager and accountant, a general average of what, from inspecting the securities or knowing their value, might reasonably be supposed to be bad.

2625. Have you deducted it upon the whole, including good and bad, and not making any separation of the individual amount of the bad debts?—Whatever was positively bad was struck out, but whatever was supposed to be the fair average of assets on hand, though doubtful, was allowed for; but whatever was ascertained positively to be bad was struck off.

2626. What per-centage did you take for bad debts?—I do not think there was any precise per-centage; I am mentioning the fact, of course, as it is; but the directors, from their knowledge, and from the knowledge of their manager of the nature of the securities, did make a general average allowance.

2627. But they could not write off anything upon that general average?—No, but they made an allowance; that is the only way I can describe it.

2628. Mr. *O'Connell.* The making an allowance is making a calculation?—It is a guess calculation.

2629. As the materials for that guess calculation did you include anything but post-due bills; did you include the entire of your outstanding securities?—Yes, I take it that the entire assets in bills were put down, and upon the bills that were over-due there was a supposition formed by the directors of what portion might be paid, either 5 *s.* in the pound or 10 *s.*, or whatever it might be.

2630. Not of the entire but of the post-due bills?—Certainly.

2631. *Chairman.*] Can you lay before the Committee the balance-sheet of the Agricultural and Commercial Bank which was laid before the general meeting, the third half-yearly meeting of the proprietors, and the report.

[*The Witness handed in the same, which was read, as follows:*]

AGRICULTURAL AND COMMERCIAL BANK OF IRELAND.

On Monday this company held its third half-yearly meeting, which was attended by gentlemen from all parts of Ireland. Amongst those present we noticed the Lord Mayor, Joseph R. Pim, Jonathan Pim, Thomas M. Gresham, M. Thacker, Joseph Beale, Mountmellick; Messrs. Vance and Emerson, Belfast; James Redmond Barry, Cork, Commissioner of Fisheries; the Rev. Mr. O'Gara, Boyle; Mr. William Molloy, Mr. P. Kelly, Tuam, &c. &c. &c.

At half-past eleven o'clock, on the motion of James Dwyer, esq., seconded by Joseph Robinson Pim, esq, the Right Honourable the Lord Mayor was called to the chair.

The following report was then read by James Dwyer, esq.:

REPORT from the Agricultural and Commercial Bank of Ireland to the Proprietors.

Gentlemen,

In presenting to you the report for the past half year, the committee of directors have much satisfaction in calling your attention to the beneficial progress of a great national undertaking. Since the last general meeting in April, the important province of Ulster has been called into activity; and has more fully demonstrated the nationality of your company, by amalgamating with it, for the advancement of agriculture, manufacture and commerce. Belfast, having a local proprietary of 500 amongst the trading and influential classes, opened its bank, in connexion with your company, in the month of August last. It has since proceeded, under the guidance of an able executive, with prudence, and with every promise of a prosperous result. In the leading towns of Ulster, wherein the linen manufacture is chiefly being carried on, branches have been opened; but in no case has one been established without a legal proprietary, and a fair proportion of paid-up capital on the stock subscribed for; by this means co-operation is insured, and united action guarantees success.

The banks in the cities of Cork, Waterford and other districts of Ireland, have satisfactorily progressed, and generally have yielded a profitable return. In some cases experience has suggested to your committee the expediency of circumscribed action, in order to abridge local expense; and, acting upon the reports of vigilant inspectors, your committee contemplate, without loss of time, to carry their recommendation (where fully sanctioned by the facts) into effect.

The profit appearing in your accounts for the past half year would have been much greater, had not your committee placed the branches in the agricultural districts under

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restrictions, dictated by the state of the money market in the sister country, resulting from the operations of the Bank of England upon the commercial interests of the empire. Your committee do not deem it within their province to discuss the policy of the Bank of England, or whether the refusal of commercial accommodation, at a period of pressure, be calculated to produce beneficial results to the country at large; but as, under existing circumstances, the chartered banks materially influence the circulation and credit of the country, your committee deem it a duty to be very much regulated by their proceedings, and so to proportion the issues and liabilities, that no capricious exercise of power, or abuse of privilege by the Bank corporation, could mar the progress of an important undertaking.

With a view, however, to meet the extension of business demanded by the increased commerce and enterprize of Ireland, your committee felt it to be for the general interest further to increase the paid-up capital of the company, so as to render it equal to that of the Provincial Bank of Ireland, viz. 500,000 *l.* They have, accordingly, made a call upon the British proprietors for a third instalment of 5 *l.* per share, allowing to them the option of taking an equivalent in the stock allocated on the 8th day of June last, rating such stock to present proprietors at par. As the increased capital can be profitably, and with safety, employed, your committee anticipate a prompt and cheerful compliance with the requisition. It is obviously the interest of the Irish proprietors to go hand in hand with the British; union of exertion, and equality of interest, being the great foundation of strength. In order, therefore, to proportion the payment towards the capital stock of the company, and considering it for the permanent interests of the shareholders and the welfare of the country, your committee recommend that you should sanction and direct a third call upon the Irish shareholders, allowing the same option as to the British, namely, to take an equivalent to the amount of the call in increased stock, at par. Such a measure, promptly adopted by the British and Irish shareholders, will be productive of the best results, and must add considerably to the value of investment, as also to the welfare of all concerned.

Although the paid-up capital (including the third call of 5 *l.* per share, or allocated stock) amounts to upwards of 400,000 *l.*, yet the ample field presented, particularly in the province of Ulster, for the profitable employment of capital in banking operations, makes it the individual interest of the shareholders to increase the available capital to a standard allowing of perfect liberality towards all deserving of credit; independent of which your committee cannot overlook the important suggestions flowing from the Parliamentary Report on Joint-stock Banks in England, both as to the expediency of a large paid-up capital in such undertakings, and the necessity for vigilance and circumspection therein. It may be inferred, from the Report made by the Parliamentary Committee, that such companies as have ample paid-up capital, in proportion to that subscribed for, shall meet with legislative advantages superior to others, and, at the expiration of the charter of the Bank of Ireland (in little more than one year), will stand in a position, more strongly, to protest against its renewal, as a monopoly of banks of issue in Dublin, and the circuit of 50 miles thereof. It is, therefore, the manifest advantage of the united proprietors to leave no ground for cavil; and, by making the paid-up capital of the company equal to that of the Provincial Bank (of whose directory the Right Hon. the Chancellor of the Exchequer was or is a leading member), place your company upon at least an equal footing for favour or privilege.

In conclusion, your committee refer to the annexed balance-sheet, by which it will appear, that, notwithstanding the disturbance in public credit, and the pressure on the moneyed and commercial classes, occasioned by an excess of speculation, and movements of the Bank of England resulting therefrom, the balance to the credit of profit and loss will justify a dividend at the rate of five per cent. per annum, for the past half year, which your committee recommend accordingly.

William Hodges.
James Dwyer.
J. Chambers.

Fleet-street, 17 Oct. 1836.

The balance-sheet was then read by the general manager, William Mitchell, esq., and a dividend at the rate of five per cent. per annum voted by the meeting.

On the motion of J. R. Pim, esq., seconded by Philip Jones, esq., the report was received and adopted.

Mr. Gresham then rose, and said he was really delighted to find the committee had been enabled to make so good a report for the last half year, when it could not be denied that the company must have passed through a trying ordeal during the late panic in the money market; and though it was his intention to have moved for a committee of audit to investigate the minute proceedings of the board, yet he was agreeably relieved from that trouble by the very flourishing report then laid before them. He should, however, ask the chairman whether the surplus, which appears by the balance-sheet, amounts to an actual surplus, after all bad debts, and over and above all the capital subscribed?

The Lord Mayor answered in the affirmative.

Mr. Gresham then expressed himself perfectly satisfied.

Mr. James R. Barry testified his pleasure, as a proprietor, at the progress of the company, based, as it was, upon the good of the country.

Jonathan Pim, esq., was called to the chair, and thanks returned to the chairman.

Balance-sheet of the Agricultural and Commercial Bank of Ireland. *James Dwyer*, Esq.

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	£.	s.	d.	£.	s.	d.
Liabilities.						
Paid-up capital	375,029	15	–			
Notes in circulation	421,596	15	–			
Deposits and current accounts	366,182	4	7			
Total Liabilities				1,162,808	14	7
Assets.						
Bills on hands	902,457	2	2			
Government and other securities	20,607	6	11			
Property in Dublin and at the branches, valued at	28,500	–	–			
Credit accounts	93,731	11	9			
Cash on hands	134,892	5	11			
Total Assets				1,180,188	6	9
Surplus assets				17,379	12	2
Five per cent. for the paid-up capital for the half year, amounts to				9,375	–	–
				8,004	12	2
The reserve fund at last balance was				5,741	16	11
Added this last half year				2,262	15	3
TOTAL to credit reserved fund £.				8,004	12	2

Fleet-street, 17 October 1836.

2632. Was this balance-sheet prepared in the same way and subject to the same authority as the previous balance-sheet to which you have already adverted in your evidence?—I think it was.

2633. This balance-sheet shows an amount of liabilities of 1,162,808 *l.* and of assets of 1,180,188 *l.*; the first item in the asset side of the account is bills on hand 902,457 *l.*; have you the means of classifying those bills, so as to show what was the nature and character of the bills?—The general nature of the bills was bills from the agricultural districts of Ireland.

2634. Then they were mainly what are termed local bills?—They were.

2635. Can you inform the Committee what was the lowest amount which you were accustomed to discount in the shape of local paper?—£.5, as far as my knowledge extends.

2636. Did you discount so low as 5 *l.*?—Yes.

2637. Were there no bills lower in amount than 5 *l.*?—Not to my knowledge, nor do I believe that there were.

2638. Were there regular statements made up from the different branches to the consulting committee, stating the amount and character of the paper that was discounted?—There was, from week to week.

2639. It was never brought under your observation that bills of 2 *l.* and 3 *l.* were discounted at your branches?—Never brought directly under my observation; but it is right to say that in one branch only, and that was the branch at Castlebar, (I mention it as an exception) I have heard that an instance or two did occur of bills of 3 *l.* or something like that amount being discounted; but only at Castlebar have I ever heard of it, and it was certainly immediately disapproved of by the board, for they considered that the object of the bank was to give accommodation to the farmers deserving of credit, and that that should not go below 5 *l.* at all events, and generally above it.

2640. Were the number of bills discounted of 5 *l.* each or between 5 *l.* and 10 *l.* very considerable?—Indeed they were very numerous.

2641. Mr. *Hamilton.*] Could you prepare for the Committee a statement of the nature of the bills, from 1,000 *l.* downwards, according to the scale which I will hand to you, to 5 *l.*?—Yes, I will furnish that; and it is right here to say, that as a general average the small bills were better paid than the large ones.

2642. Mr. *Jephson.*] What should you consider the general average value of the bills you discounted in the country?—The general average was 10 *l.* to 20 *l.*, a great

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a great portion from 20 *l.* upwards; that is at the agricultural branches; but at the trading towns they were not bills for 5 *l.* but the usual mercantile bills.

2643. Should you not call 15 *l.* an average?—I should.

2644. Sir *J. Wrottesley.*] Are those mercantile bills generally upon actual transactions?—Yes.

2645. Mr. *Jephson.*] What do you mean by the last answer, that they were generally upon actual transactions?—I mean to say that they were not fictitious bills.

2646. Do you give that as your belief that the bills discounted at the agricultural banks were in consequence of *bonâ fide* transactions, and not with a view to enable the parties to trade on the credit of the bank?—I say, as to the mercantile bills, that they were on real transactions, and I believe that the credit of the bank was generally given to any man that they considered deserving of credit.

2647. What was the standard of desert by which they estimated what credit a person should have?—I believe general good character, and being recommended by his landlord or by other reputable persons.

2648. Mr. *Morrison.*] Was that assistance rendered by the discount of promissory notes or by an advance of cash?—It was by the discount of the draft of a person upon another person, accepted in the usual way; but with reference to the preceding question, the branch which certainly was the worst, that at Mallow, it was not the practice; of course an inference may be drawn from that as to the others, which is not justified.

2649. Mr. *O'Connell.*] You do not mean to say that the Kerry branch did not act upon the same plan?—No; the Kerry bills have all been well paid; we have had no serious actual loss upon the agricultural bills except in Mallow.

2650. Mr. *Jephson.*] Then you do consider that at Mallow a class of persons received accommodation who did not come within the strict rules which you have mentioned as the usual rules of the company?—I do.

2651. Did you change your manager in Mallow?—We did.

2652. Was it in consequence of the mismanagement of that branch that you changed him?—That was the operating cause on the minds of the directors, though they might not have declared it to the individual managing at the time.

2653. When a new manager was appointed, did the directors require from him any report of the state of the bank, and of the description of persons to whom accommodation had been given?—They did.

2654. Will you state generally the nature of the answer of the new manager?—We sent our inspector from Cork, Mr. Barry, to inspect the state of the Mallow branch, and he did report to the board that the conduct of it was by no means satisfactory, and so did Mr. Hopper, the present manager, who had been an officer of the Provincial Bank; I believe he said that credit was given to a class of people undeserving of credit, from their position.

2655. Do not you believe that, so far as the Mallow branch was concerned, credit was given to persons, not for any real transactions which had taken place, but to enable them to commence business on the credit which they received from the bank?—I do believe so, in a vast majority of cases, as regards the Mallow branch.

2656. What has been the consequence of that; have the directors been obliged to sue in a great number of cases for those sums?—Yes; the directors have sued in not a great number of cases, but they are suing wherever the party is worth suing.

2657. Does it come within your knowledge as a director, the number of suits that have been commenced in any one branch?—I may say that it does; it is reported to the board generally; but as to the Mallow branch, from deeming it so unsatisfactory, I am unable to answer more particularly than by stating the individuals who can.

2658. Will you be kind enough to state the number of suits that have been commenced in the superior courts, or by civil bills at the sessions, and the number of persons who are now in gaol at the suit of the Agricultural Bank; and if you can do so from papers before you, the average sums for which those persons are in gaol?—I can answer as to the fact of people in gaol; I do not believe, speaking from my knowledge, that there are five, because the directors have ever disapproved of any proceeding by writ where it could be avoided, or by civil bill, if it was possible to avoid it.

2659. *Chairman.*]

2659. *Chairman.*] Have you known any instances in which there have been upwards of 100 civil bill processes entered at the quarter sessions on behalf of the Agricultural Bank?—I think that has been the case since the suspension of the bank and the differences among the proprietors, which have encouraged the people not to pay.

2660. What is the greatest extent?—I think there were civil bills entered which related to one country branch to the amount of 200.

2661. At one quarter sessions?—Yes; that was since the suspension of the bank, and since the publication of the differences among the co-partners, and which certainly have encouraged the people that were able to pay not to pay, in a great many cases.

2662. What branch?—I think it was Boyle, in the county of Roscommon.

2663. Mr. *Hamilton.*] Could you add to the return which you are to prepare a statement of how many declarations have been filed at the suit of the public officers of the bank since the 1st of September last, and under the direction and advice of what counsel?—Yes; that was one of the questions that was put to the directors by some of the meetings, suggested by Mr. Mahony, and they did not exactly consider that it was a question that they were bound at that time to answer; but to the Committee there can be no objection to answering it; and I asked the law agent, when I was coming off, in consequence of such question being put for a return of the processes instituted since the period that has been mentioned, and he said that there were 154 by him, as law agent; and it is quite right to say, that I do believe, that but for the differences among the co-partners, and the publication of them in the papers, which encouraged people not to pay, that not one-tenth of those would have been instituted.

2664. Sir *John Wrottesley.*] Are those instituted for the recovery of the last call, or for loans actually made to the persons?—They had nothing to do with the last calls; they are invariably for over-due bills.

2665. Mr. *Hamilton.*] You have stated a certain number that have been filed by the law agent of the company; were there any filed at the suit of any other public officer?—No, they are all filed at the suit of the public officers of the bank; but in the country districts there are local attornies that are employed by the local gentlemen, and at their suggestion, and what those gentlemen have done, I have no means of ascertaining, for I have no means of getting a return.

2666. Under the direction and advice of what counsel have those declarations been filed?—Under the immediate direction of no counsel. Upon this point I have Mr. Wallace's letter, for such a question was put (and I understood immediately the imputation that it meant to convey) by Mr. Mahony, as solicitor for the dissentient parties, at the board, to know under the advice of what counsel proceedings have been instituted. I knew that the meaning was to insinuate, that as I was a barrister, I had made my situation at the board auxiliary to my professional advantage. Precisely the reverse was the case; and I have a letter now with me in town from the law agents, who are men of high character and incapable of asserting anything untrue, to the statement that my invariable direction was, never to sue parties that were unable to pay; but that they have in some cases sent to me, and I should say that in three years I do think the number so sent does not exceed 100. I should observe, that they sent to me occasionally, at their own option. The retained counsel of the company were Mr. Robert Holmes, Mr. Brooke and Mr. Blackburne, and the Solicitor-general Brady; these were declarations sent, not for advice but for signature, in the common way, upon a bill of exchange; and in those cases which they have sent to me, in three years not exceeding 100, I have signed them; and I will take the liberty, with reference to myself, of saying to the Committee that I would not even have done that, but having been obliged, from the pressure upon the bank in the last three terms, to absent myself from my professional duty in attending the courts, in consequence of my position in it, and my sense of public duty, I did consider that I might do that to that extent without any invasion of delicacy.

2667. Mr. *O'Connell.*] You merely signed, and never advised?—Exactly.

2668. The fee is a guinea for signing?—Yes.

2669. It is generally a compliment?—Yes.

2670. Mr. *Hamilton.*] And you say that you have signed not more than 100 in three years?—That is my recollection; and I do say, that as to profession, I would not have done it, except that a man would be accounted to have alto-

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gether abandoned his profession if he did not put his signature to some pleading.

2671. Mr. *Jephson.*] Did the directors ever consider it necessary to ascertain the position in life of the shareholders of the bank, inasmuch as their own security as well as the security of the bank depended upon that consideration?—The directors in Dublin did.

2672. Do you believe that in a great majority of cases the persons who became shareholders of this bank did not do so as procuring the means of employing capital already acquired, but simply as a means by which they might obtain capital for their own purposes for carrying on business?—I believe that in many cases parties subscribed, thinking that being shareholders would be a means of their getting accommodation.

2673. Do not you believe, in the majority of cases in country districts, the shareholders became shareholders in order to obtain capital, and not to employ capital?—I think that in the agricultural districts they became shareholders to get, whenever they required it, capital when they wanted it, but to employ the capital.

2674. *Chairman.*] You state in this balance-sheet, that at the period at which it was prepared you had about 20,000*l.* invested in Government and other securities; what other securities do you mean?—I believe it was the stock of the Royal Bank of Ireland, a joint-stock bank founded in the last year.

2675. What proportion of that 20,000 *l.* do you consider was in Government security, and what proportion in the stock of the Royal Bank?—About 14,000 *l.* in the stock of the Royal Bank, and 6,000 *l.* in Government securities.

2676. Mr. *O'Connell.*] You were a director of the Royal Bank?—Yes; I was made one by the directors of the Agricultural Bank, for the idea was to unite them; the Royal Bank had 200,000 *l.* at starting.

2677. *Chairman.*] How was that 14,000 *l.* stock of the Royal Bank acquired; was it purchased in the market?—No, it was taken from the directors of the Royal Bank as an investment, and for the purpose of leading to a connexion between the two companies.

2678. You mean that in the apportioning of the shares that portion was granted to the directors of the Agricultural Bank?—Yes.

2679. Was it paid for?—It was.

2680. Out of the funds of the bank?—It was.

2681. Was any allocation of the shares of the Royal Bank made amongst individual directors of the Commercial Bank?—That is the sum that I mean by the 14,000*l.*; the bank subscribed for it, but in order to enable them, as the object was to unite the two banks, to appoint in fact the directors, they increased the stock in the individual names of the directors, the scrip being lodged with the cashier, to prevent the possibility of a private transfer; that is a guarantee which, without offending any one, it is right to take in a transaction of the kind.

2682. No portion was sold for the use of any person a director?—One individual, not now a director, who was not elected at the last election by the proprietors, the stock that he held he did transfer or hand over to Messrs. Boyle and Pim, and the other directors called upon him, and they had a suit pending against him for that and other transactions: he has proposed to refer all to arbitration.

2683. How did he make that transfer, if the scrip was kept in the hands of the company?—He got the scrip; all the other scrips were lodged; I am not prepared to say where his immediate scrip was; I believe it was given to him at the election to enable him to vote. But it is right to say, in reference to that gentleman, that he paid 500 *l.*, and he alleged that the rest of the balance was paid by him. That is a controverted position, and there is a suit at present pending against Mr. Mooney, which we have offered to leave in arbitration to two gentlemen; for Mr. Mooney is a gentleman in credit, and considered very fair in his dealings; I mean Mr. Mooney, of Francis-street; it is unnecessary to refer to the other Mr. Mooney.

2684. Will you explain the transaction more distinctly; were those shares which Mr. Mooney so disposed of paid for out of the funds of the Agricultural Bank in the first instance?—They were.

2684*. On his transferring those shares to another, did he repay to the bank the amount which they had originally paid for those shares?—The shares that he

he held were 1,600 *l.*; he repaid 500 *l.*, and he states that he did repay the balance: but that is a question controverted, and there is at present a suit instituted against him for the balance between the 500 *l.* and the 1,000 *l.*

2684†. Mr. *O'Connell.*] Did he make that transfer without the directors knowing it?—He did; he lodged it with Boyle and Pim, without the directors knowing it.

2685. *Chairman.*] When did the directors first come to the knowledge of that transaction?—I should say it was in the month of November or December last.

2686. Did Mr. Mooney remain a director for any period subsequent to that?—No, he was not elected a director in the month of November last.

2687. You value the property of the bank in Dublin and at the branches at 28,500 *l.* in this balance-sheet; what property is it, and what mode did you adopt of valuation?—£. 28,500. stands for the houses of the branches, and the furniture that may be in those houses.

2688. How many branches had you at that time?—Branches and sub-branches, 45, which I have no hesitation in saying I consider a great deal too many.

2689. Then you proceed, in your balance-sheet, to state the amount of credit accounts to the extent of 93,731 *l.*; what do you understand by those credit accounts?—Where parties either overdraw their account upon their personal credit, or get an advance by giving a security by bond.

2690. Could you state what amount was advanced upon bond, and what amount consisted of overdrawn accounts?—The majority, I would say 70,000 *l.*, was on bond security, and the rest upon overdrawn accounts; and it was principally, according to my recollection, in the north of Ireland, where the habit is to allow the parties to overdraw upon their personal credit.

2691. Without any collateral security?—Without any collateral security, as I believe is the case with the English bankers in the English joint stock banks.

2692. Mr. *O'Connell.*] Then is the running account an operative account?—Yes, a Scotch cash credit.

2693. *Chairman.*] You further state, cash on hands, 134,892 *l.*; upon what data did you put that amount of cash on hands?—From the returns from each of the branches to the day that the account was made up to, which I believe was the 1st of October 1836.

2694. Have you, from your subsequent knowledge, a confidence that the return of cash on hand, so reported to you from your branches, was a *bonâ fide* return, that convinces you of the truth of that statement?—I have.

2695. You believe it?—I do.

2696. That your system of check was adequate?—I do; I can speak to that item, because the circumstance of our being able to pay 788,000 *l.*, subsequently to the suspension, in three months, without a law suit against us, demonstrates to me, if there was any evidence wanting, that the cash must have been there, together with our bills.

2697. Adverting to the liability side of the account, you set forth that the paid-up capital amounted to 375,029 *l.*; upon what data and evidence was that statement made?—Upon the state of the ledger for the subscribed and paid-up stock; the stock ledger.

2698. Was that checked by your bankers' account in Dublin?—It was checked by the accountant's account, by the receipts of the cash-book.

2699. Have you any reason to doubt the accuracy of that statement?—I have no reason to doubt it, except that the subsequent investigations placed our paid-up capital at 356,000 *l.*; but there was an explanation given of the deficiency, that it was occasioned by stock re-transferred to the bank, from parties that were indebted to them.

2700. But would that re-transfer of the stock make any difference with respect to the actual amount of capital that had been paid up?—It would, I think, extinguish the nominally paid-up capital, as I understood from the accountant; I was speaking to him particularly upon the subject, with a view to my own guidance, and I put to him the same question that has now been put to me, and he did explain to me that that would extinguish so much by making the re-transfer.

2701. It would diminish the number of your shareholders and the number of your shares in public hands, but how would it diminish the amount which had been

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been paid up on those shares?—We were obliged, in some instances, to return the money; for instance, there was one gentleman we gave a cash credit to of 3,000 *l.* upon the value of his stock, and upon his general standing as a merchant, Mr. Walpole; he was considered a good security; and he came to us and told us that he was in difficulties, and unless we took back the stock and allowed him the 3,000 *l.* that he had paid, that in fact we might be drawn in with his other creditors; we did take back that stock, he paying 1,400 *l.* that he owed besides.

2702. Was the practice to which you have adverted in the case of Mr. Walpole, namely, that of obtaining advances from the bank upon the security of its stock, confined to his case, or extended to other cases?—It was extended probably to the amount of holders on 30,000 *l.* stock; not further, to my belief; it was not, in fact, a practice that the directors wished to encourage, but when pressed upon them, and when the parties were respectable, they took the stock as security.

2703. The next sum is the amount of notes which were in circulation, 421,596 *l.*; upon what data was that statement made?—From the average debit to the branches by the head office of the issue of all notes, and then deducting from that all the retired notes at the branches and in the accountant's hands, and then if they were deducted from the original entire debit, it was taken as granted that the remainder was in circulation.

2704. Did you keep a registry of the number of notes that were issued?—In the origin of the company there was a registry kept of the amount of the individual notes, but we got some Scotch gentlemen as managers and clerks, to the amount of 10 or 12, and as far as my recollection serves, they said that this registry must be discontinued and a general debit made, without entering the individual notes issued; for instance, the entry then was "issued from 100 to 200," or from 400 to 600, with a label upon the back.

2705. Supposing that second mode of registry kept with strictness, would it not be sufficient information to you of the number of notes that were in circulation?—I think it would; and I do believe that the second plan was kept pretty accurately, but I prefer the first plan, from subsequent experience.

2706. What subsequent experience do you allude to?—The subsequent experience is, that I have heard statements made that we did bring forward notes that were retired after the suspension of the bank; that more notes were in actual circulation than appeared from our account.

2707. Mr. *O'Connell.*] Can you tell what the number of notes is that you have actually retired since the stoppage?—Yes; 523,000 *l.*

2708. *Chairman.*] How much have you estimated your circulation to be at that period?—We have estimated it at 421,000 *l.*, and it is right to mention that that was on the 1st of October 1836; therefore there must have been from the 1st of October 1836, up to the suspension, I presume, and the books will show it, a further issue to the branches, though they might not have been put at the time into actual circulation.

2709. Mr. *O'Connell.*] But surely your notes must have been coming in by payments from the 1st of October, probably in a greater ratio than you were issuing your notes at that period?—Probably it was the case.

2710. However, you can surely tell accurately from your books how many you retired from the 1st of October to the 14th of November?—Certainly.

2711. Then, according to that, it follows inevitably that the circulation must have been less on the 14th of November than it was upon the 1st of October?—I should think it would follow, but I am not prepared to say; but as to the question of the discrepancy in the notes here stated and issued, I think it would be better to give the detailed statement of the accountant; I think I have his statement in town, for I was particular in asking him upon that very item.

2712. You are quite aware that this item has caused a great sensation, and that much has been asserted upon it?—I know that in the case of every bank that has had a run upon it, and we have had four runs, there has been a good deal of confusion in the accounts in every case.

2713. On the 1st of October 1836, you estimated your notes outstanding at 421,596*l*, and you totally stopped payment on the 14th of November following?—We did not stop payment at that time at the branches; we suspended the exchange of the notes at Dublin, but we continued the branches; we were not bound to pay the notes in Dublin by law, but only by courtesy.

2714. To keep your circulation afloat, you necessarily paid in Dublin?—Certainly, as other banks did.

2715. Then since the 14th of November 1836, you have actually paid off 523,000*l.*; is not that so?—Yes, that is the statement. This is what the accountant states: this is my query to the accountant when I received the summons from the Committee; I asked him, "What was our actually highest circulation at any one time;" and he said, "Exclusive of those retired and at the branches, 523,000*l.*, on the 5th of November 1836:" this is the answer the accountant gave me from the books.

2716. Was that the accountant who assisted in making up the balance-sheet to the 1st of October 1836?—No.

2717. Who was the accountant that so assisted?—Mr. John M'Kenzie, a Scotch gentleman.

2718. Who was the accountant who gave you that answer?—Mr. Thomas Brierly, a gentleman recommended by Mr. Latouche.

2719. Was he in your employment in October 1836, when you made out this balance-sheet?—He was not.

2720. Then he has been in your employment only since the stoppage?—That is all.

2721. You perceive that the accountant who made up the account to the 1st of October must, according to your statement, have been very much in error?—I do think so, from the two facts.

2722. And more especially as you must be quite apprised that the run upon you was from the 1st of October till you stopped, more or less?—I think that there was a pressure from the 1st of October; I cannot call it a run till about the 22d of October, but there was a pressure.

2723. From the 22d, it assumed the shape of a decided run?—It did.

2724. And from that moment your branches ceased as much as possible to issue?—They were desired in no case to issue.

2725. Had you before the 1st of October been stringent as to their issues; had you directed them not to issue?—From the month of August 1836, at the suggestion of Mr. Hardie, of Manchester, directions were given to all their managers to restrict their issues.

2726. Did you not foresee early in August that there would be a pecuniary pressure?—I thought it perhaps presumption in me to express my opinion, but I joined with Mr. Hardie, presuming, from his connexion with other banks, that he was a good judge.

2727. Sir *John Wrottesley.*] Is Mr. Hardie a creditor to your bank?—No; he took 20,000*l.* in shares, and he owes 6,000*l.*

2728. *Chairman.*] Is that Mr. Hardie that was connected with the Northern and Central Bank?—Yes.

2729. Mr. *O'Connell.*] You must be quite convinced that the statement of the circulation being only 421,000*l.* on the 1st of October was a mistake of your accountant?—I do, from those two facts, personally consider that it was.

2730. Your circulation must have been less on the 14th of November than it was on the 1st of October?—I should think it was from the pressure, and the payments in consequence.

2731. Can you tell the Committee what amount you paid of your notes between the commencement of the run and your stoppage on the 14th?—I should think we paid, in notes and letters of credit, altogether upwards of 500,000*l.*

2732. In that period?—I do not say in that period, but up to the period of the suspension from the previous half year.

2733. From the 1st of October?—I do not think it was from the 1st of October.

2734. Can you tell the Committee how much you paid of your notes from the 1st of October to the 22d of October?—I think we have the means of giving the Committee that information; my supposition would be 150,000*l.* from the 1st of October to the 14th of November.

2735. It is utterly impossible that your branches could have issued anything like one-fourth of that, is it not?—I think that they could have issued one-fourth of that in that interval, for we did not communicate to our branches till it was unavoidable the fact of the run in Dublin; for in Dublin it was principally that it showed itself; and in the north of Ireland particularly, they did

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imagine that everything was quite right, and their banking operations I believe were going on as usual.

2736. Do you remember the date of the Hibernian Bank refusing to pay the notes of the Belfast Bank?—I do.

2737. What was that date?—It was before our suspension, and we did consider that it had an hand in leading to it; it was on the 7th of November 1836 they refused to pay, and the agents of the Ulster Bank also refused to pay, so that the agents of two banks had refused to pay previously to our suspension, and accordingly the run was heavy upon it. It was only for a day these banks did not pay in Dublin; they had large capitals; it was from a difficulty in getting discounts.

2738. So that instead of having 421,000 *l.* out, which you give by the account of the 1st of October, you ought not to have had more than 300,000 *l.* or 200,000 *l.*?—When we calculated the issue in July 1836, the return made by our officer to the Stamp-office of the circulation was 330,000 *l.*, and it was subsequently to July that the northern branches opened; I think there were six or seven northern branches, including Belfast, subsequent to July, and their issues in the north are, generally speaking, pretty extensive, from the nature of their transactions.

2739. You have stated that from the 1st of October to the 14th of November your estimate is that you paid off in notes 150,000 *l.*, but you also paid a large sum in letters of credit?—We did.

2740. Were you quite apprised that those letters of credit also represented notes in general?—Not in general.

2741. Not during that period?—No, because the run was not at the branches in the first instance; it was in Dublin, and therefore the sense of insecurity was not in the branches; they were not led to bring in the notes to get letters of credit for them.

2742. *Chairman.*] When your attention was first called to the discrepancy between the amount of notes which you had to retire, and the amount which you then had calculated upon being in circulation, what steps did you take in order to ascertain the facts of the case?—We have for the last three months, since the suspension, in fact, immediately after, had the officers of the bank busily counting the notes, and separating them into branches, cancelling them, and classifying them so as to be able effectually to judge.

2743. Had you recourse to your engraver, as being a check upon the number of the notes issued?—He would not, I think, be a check upon the number of notes issued; he would be a check upon the number of notes furnished to our head office in Dublin.

2744. Have you have had recourse to him as a check?—I think not.

2745. Are you sure?—I would say, as far as my recollection goes, we had not any recourse to him.

2746. Who was your engraver?—Batho & Bingley; but we considered that the way of ascertaining the notes was not by applying to our engraver, because he sends us notes which we enter in our books at Dublin, and we debit the branches with the issue of those notes to them.

2747. Were those notes perfected in Dublin by the signature of the proper officer, or were they perfected by the signature of the officer of the bank below?—In the commencement of the company, or probably till the Scotch gentlemen came to the bank as managers and agents, we were in the habit of having all the notes signed by the entering clerk, before they were sent to the branches, and we got the signature of the manager who was to issue them at the branches, which gave them validity; but subsequently to that, they have been sent to the branches, with a general label upon them, stating the number of the book and the number of the notes, but not signed in Dublin by any signature clerk or by the manager, but perfected there, when the concern became probably more extended than the power of control.

2748. What signature did your notes bear?—The manager's and entering clerk.

2749. Sir *John Wrottesley.*] At first they bore the signature of the entry clerk at Dublin, afterwards the signature of the entering clerk at the branches?—Yes.

2750. *Chairman.*] You state in this balance-sheet deposits and current accounts

accounts amounting to 366,182 *l.*; what amount of interest did you allow upon deposits?—Generally 2 to 2½ per cent.

2751. In what proportion was the interest allowed at 2, and in what at 2½ per cent.?—In current accounts, where there was no limitation of the time of payment, 2 per cent. interest was allowed.

2752. What proportion did the interest allowed by your bank bear to that which was paid by your competitors in the trade of banking?—They paid the same; we never gave a higher rate of interest.

2753. At what rate did you discount?—We discounted, generally speaking, at 5 per cent.; but when the Bank of Ireland lowered their discount to 3½ per cent. for English bills, and to 4 per cent. for Irish bills, we were obliged to do the same, that is, to the mercantile branches, but to the agricultural branches we charged 6 per cent.; we charged also latterly, by way of limiting without offending, 1*s.* commission for entering, which made it 8 per cent. upon three months' bills, which we were entitled by law to do; but to the mercantile branches, we were obliged, from the Bank of Ireland having lowered their interest to 3½ per cent., either to decline the business or to discount at the same rate.

2754. Mr. *O'Connell.*] In current accounts you charged the same rate of interest?—We charge for discount 4 per cent. for inland bills, 3½ for English bills.

2755. Or cash account?—We allowed 2 per cent. bills; we did not adopt the system of allowing the same interest.

2756. How much did you charge a person who overdrew his cash account?—We charged him 5 per cent., and in many cases 6 per cent., wherever we could.

2757. And allowed upon his payments only 2½?—Yes; we wished to check the overdrawing as much as we could, because our extent of operations, which I am not attempting to justify, but which was occasioned by competition, made us wish to limit the accommodation in the way of over-draft, which is unproductive, as much as possible; and where we could, we charged 6 per cent.

2758. *Chairman.*] Had you any regulation with respect to the date of bills that were to be discounted?—Yes; three months was the general rule.

2759. Was that subject to exception?—It was.

2760. What was the nature of the exception?—In some very few cases, where the party was undoubtedly solvent, we have done bills of four months.

2761. Not beyond four months?—Not to my knowledge.

2762. Did you advance money upon security bonds?—Never, except in the way of cash credit, where the bond was collateral.

2763. Did you advance money upon the security of real property by the deposit of deeds or by mortgage?—Never, except as collateral to an account that was due; if a man deposited his deeds to secure his cash balance, if we could not get a better security, we took the deeds to get an equitable mortgage, and in two or three cases we have succeeded in getting our debt paid by so doing.

2764. Mr. *O'Connell.*] Can you state how many of your notes are still outstanding?—I can; we have put a notice into the public papers in England, in Ireland and in Scotland, calling for any person who had any demand upon the bank to bring it forward, that it might be discharged; since which time, everything presented has been paid, and I believe the present outstanding notes do not amount to 1,000*l.*, if they amount to so much; we have been very anxious to get them in, and very anxious to pay them.

2765. Upon what data do you calculate that they are about 1,000 *l.*?—From the total debit and from the amount retired which we have now on hand.

2766. Have you a registry of cancelled notes?—We have, and the notes themselves as cancelled.

2767. *Chairman.*] That is the account which you have rendered to this Committee in the paper which you have filled up?—It is.

2768. In that paper of liabilities and assets made up to the 25th of February 1837, after stating the amount of cash, Royal Bank of Ireland stock, bills of exchange, you had, "all other securities not included as above, 118,456 *l.*;" of what does that item consist?—Of cash credits, and the property of the bank in its houses, &c.; all other securities, including cash credits, due to the bank.

2769. You have in your balance-sheet to October valued your property at 28,500*l.*,

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28,500 *l.*, had you disposed of any of that property in the interval between October 1836 and February 1837?—No.

2770. Then do you consider that the 28,500 *l.* stated in that balance-sheet may be assumed to be the value of the property in Dublin, and the purchase included in the 118,456 *l.*?—Yes; but it is right for me to state that I consider it an over-valuation, because if the concern is violently stopped, there is no doubt that those houses will not produce on sale probably 5,000 *l.* or 8,000 *l.*, whereas, if it was a continuing concern, they might be estimated much higher.

2771. There being a balance, after taking credit for the amount of property, of 19,000 *l.*, does the "other security" spoken of consist in cash credits and overdrawn accounts?—Yes.

2772. Is there any collateral security for those overdrawn accounts?—Yes, I think I may say in most of the cases.

2773. Of what description?—Either bills or collateral bonds, generally collateral bonds or deposits of deeds; where a person had overdrawn his account whom we considered dubious, we sought to get his deeds or an assignment of property as a security.

2774. Where bills are given as collateral security, do they enter into the item of bills of exchange?—No; but I do not think there are many cases of bills being given as collateral security.

2775. In this account you state the proportion between the bills overdue and the other bills of exchange which are not come to maturity as 114,000 *l.* to 138,000 *l.*; is that the general proportion which you have had between the past-due bills and the bills that were current?—By no means.

2776. How do you account for the difference?—From the suspension of the bank and publication of the differences amongst the co-partners; and as an instance of the truth of the way to infer it, at the suspension the overdue bills were about 23,000 *l.* upon the entire concern; and from the suspension up to the date of this account, and the differences among the partners, they increased to 114,000 *l.*

2777. Mr. *Morrison.*] You stated that it was the practice in towns for the branches to discount mercantile bills; do you mean by that bills accepted by mercantile men, and founded on real transactions?—I do.

2778. You do not think they were mere accommodation bills?—I do not.

2779. *Chairman.*] Do you know anything of the establishment of a new bank in Ireland, called the Southern Bank of Ireland?—Nothing whatever, except having seen it in the public papers; but I have neither hand, act nor part in it.

2780. Do you know whether any of the former officers of the Agricultural and Commercial Bank are engaged in that bank?—I do; our late manager, but not now manager of the company, for he had a difference with the directors, or some of them, and he resigned, and he then established the Southern Bank.

2781. What is his name?—Mr. Mitchell. He is a Scotch gentleman; he was formerly in the Western Bank. He considered, as stated in his letter, one or two of the directors were a little harsh with him in their language, and he resigned, and established the Southern Bank; and a Mr. Bennett, our local manager at Cork, and Mr. M'Kenzie, our late accountant, all joined the Southern Bank; they set it up at Cork.

2782. What office did Mr. Dixon hold in your establishment?—Mr. Dixon was one of the original directors of the establishment, and from the month of August 1835 up to November 1835 he was styled managing director.

2783. When did he retire from that situation?—He retired, I think, on the 2d of November 1835.

2784. What was his reason for retiring, are you aware?—Yes, perfectly, because I had a long and anxious conversation with him upon it. He stated his reason to be exclusively apprehension from some of his own immediate family, being in great alarm about his being connected with a bank of issue that had suffered a run, as we had in the month of July 1835, and that he had considered that we were, in fact, in a situation of peril; and I did take the liberty of stating to him at that time, that as director of the company his retirement and assignment of his shares upon the record might endanger the public interest, and might be considered as evidencing a weakness, and, in fact, cause another pressure upon us; but Mr. Dixon did assure me that his apprehensions were so great, and the apprehensions of his immediate family, that he could not remain

with

with any comfort to himself; but those were the only reasons that he stated to me.

2785. Was there, at the period of his retirement, any report made or communication addressed from the consulting committee or the officers of the company to people at Manchester, from whom you were seeking subscriptions?—I think there was; there was a correspondence kept up with Mr. Hardy and other gentlemen in Manchester from, I think, the month of August 1835 up to November.

2786. Did Mr. Dixon express any objection to the communications which were so made to gentlemen at Manchester, as containing an unfair or over-coloured statement of the affairs of the Agricultural and Commercial Bank?—Not to my knowledge, and, on the contrary, I believe that Mr. Dixon, as chairman, signed some of the communications.

2787. Was there any correspondence with Mr. Dixon at that period, between him and the members of the committee?—I do not recollect that there was; we have at sundry times written to Mr. Dixon, begging him to attend, for he became a candidate for some town in the south of Ireland, and we considered that he was rather mixing up our bank with his election, and we did express our disapprobation at his doing it, it being our maxim not to interfere with politics; and we went so far that we put a paragraph in the paper, stating that we had no connexion at all with Mr. Dixon's canvass in the south of Ireland.

2788. Were there not some queries sent from Manchester to be answered at that period of time, in order to satisfy the shareholders, or those interested in Manchester, as to the transactions of the Agricultural and Commercial Bank?—No; I think it was long before Mr. Dixon retired.

2789. Were those queries sent?—There was an answer given to whatever queries were sent from Manchester under the control of the board.

2790. Will you have the goodness to give to the Committee the letter containing the queries and the answer?—I should presume that it is upon the record; but it is quite right for me to state to the Committee, that all the questions have been made charges in a bill in Chancery, filed against the directors, at the suit of Mr. Hardie, of Manchester, and other subscribers, and which suit, upon explanation with the directors, they withdrew; and I have in my hand the formal order of the Court dismissing those charges, upon a conference with the directors, and the consent of the plaintiffs in the bill to withdraw the bill, and they even took it off the file. The questions are set out as matter of charges in the bill, to inculpate the individual directors in the transaction.

2791. There were queries or communications?—There were questions put, as I recollect, from Manchester, whether from Mr. Hardie or from Mr. Morris I cannot tell, which were generally to know what was the state of the bank, what was the amount of capital, and its general prospects; and those were answered, I believe, as the facts sanctioned at the time.

2792. With respect to the amount of paid-up capital, all those facts were stated?—It was stated, the subscribed capital, I will not say the amount paid up, for I hold that there is a great difference between the subscribed capital and the paid-up capital.

2793. Will you inform the Committee whether Mr. Dixon was a party to those replies?—I think he was to many of them; and Mr. Dixon did not state to me, but the contrary, that that was the cause of his withdrawing from the company.

2794. Therefore if a statement of that kind has been made, it does not consist with your knowledge of the fact?—It does not, decidedly not. He stated that it was his individual apprehension of being in a bank of issue; that that was the cause.

Veneris, 19° *die Maii*, 1837.

MEMBERS PRESENT.

Mr. Chancellor of the Exchequer.	Mr. O'Connell.
Mr. Baring.	Mr. Pattison.
Mr. Clay.	Mr. Strutt.
Mr. Goulburn.	Sir J. Wrottesley.
Mr. Hamilton.	

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

James Dwyer, Esq., called in; and further Examined.

James Dwyer, Esq. 19 May 1837.

2795. *Chairman.*] HOW many general meetings have there been held of the Agricultural and Commercial Bank, since its commencement of business?—In October 1835, April 1836 and October 1836, and April 1837; four. Besides that there were general meetings, not the stated meetings.

2796. Was any report made in October 1835?—There was.

2797. Have you a copy of that report?—No, I have not.

2798. Was it printed?—It was; I could procure a copy.

2799. Was that report prepared upon the authority of the directors?—It was; the report was written upon the authority of the directors.

2800. And read to the shareholders?—Yes.

2801. Was there a large meeting of the shareholders?—No, rather small, but it was by public advertisement, at which they had the option to attend of course.

2802. Was the report adopted?—It was.

2803. What course was taken at the meeting in April 1836?—There was a report in the same way, and a statement of the accounts along with it.

2804. Have you a copy of that report?—I think I have. This is the statement of accounts which was with it; but the body of the report I can furnish to the Committee.

2805. This report states, after balancing income and expenditure and paying a dividend of five per cent., that a sum of 5,741 *l.* was to be placed to the reserved fund?—Yes. The Committee will observe by the written note at the bottom, that that dividend was calculated upon a smaller sum of capital, because it was only capital entitled to dividend; the other had been subscribed in the interval between the two years and was not deemed entitled to dividend; but I believe it is 134,000 *l.* that the dividend was struck on.

2806. How was that resolution carried into effect, of carrying that 5,741 *l.* to the reserved fund?—It was placed in the books of the company to the reserved fund, and in the report that I handed in on the last day, of the 17th of October 1836, that is the first item.

2807. Was that invested in any particular way, or was it left merely separated in the accounts of the bank as placed to the reserved fund account?—I think it was merely left as placed to the reserved fund account.

2808. There was no investment?—No, I think not; the bank required all the capital it had.

2809. You state, in the note appended to this balance sheet, that on the 18th of April 1836 the amount of paid-up capital was 330,000 *l.*; was that paid into your bank?—It was paid into our bank in Dublin, and at the branches; I believe that capital to have been paid at that time.

2810. Have you any doubt about it?—I have not.

2811. I presume that the books of the bank contain a record of the payment on account of the capital of the shareholders?—Decidedly.

2812. Therefore the books of the bank at that period are capable of showing the accuracy of that statement?—Decidedly so, I consider.

2813. Were those books subject to the examination of the directors, under whose authority this balance sheet was framed?—Yes, they were.

2814. What

2814. What were the proceedings that took place in October 1836, this being April 1836?—In October the general meeting was held, according to the usual custom by advertisement in the English and Irish papers and in the London Gazette; there was a very full meeting, indeed the most numerous meeting that we have had since the commencement of the bank; it was a very peculiar period; and the directors in that report which was handed in the last day, recommended to the shareholders the urgent necessity of making a call upon proprietors, in order to raise the capital to 500,000 *l.*; and they stated as one reason, the advice or the intimation given in the joint stock bank report which was published, of the necessity of larger cash capitals; and the call was proposed by Mr. Joseph Robertson Pim, an English shareholder, and seconded by an Irish shareholder, and unanimously passed.

2815. Was this meeting called by advertisement?—It was, by advertisements in the English, Irish and Scotch papers and in the London and Dublin Gazettes.

2816. Do you mean by the Irish papers the Irish provincial papers as well as the Dublin papers?—The Irish Dublin papers, according to the directions of the deed; I think in three Irish Dublin papers and in three British papers, and in the London and Dublin Gazettes.

2817. Was there a full attendance of any of your provincial shareholders of Ireland?—Very full, and some from Belfast.

2818. Your Belfast proprietors were a very important class of proprietors to you?—They were.

2819. Can you state whether there were gentlemen attending from Cork and other parts of Ireland as well as Belfast?—I think there were, from every part of Ireland; it was the most numerous meeting, on account of the pressure of the money market at that time, in October, that I have ever seen in a banking establishment.

2820. By whom was this report prepared?—By the directors.

2821. It is signed by Mr. Hodges?—The lord mayor of Dublin, he was present, by myself as one of the directors, and by Mr. John Chambers.

2822. But though this bears the names of those three directors, is it to be understood to have been approved of and adopted by the board of directors generally?—Decidedly; and it was read at the meeting by the chairman, who, I believe, was the lord mayor, at the general meeting in October, and unanimously adopted by the entire proprietors.

2823. This report states that the paid-up capital, including the third call of 5 *l.* per share, amounted to upwards of 400,000 *l.*?—That was the case.

2824. You are satisfied that that statement was correct?—I am; but I should explain that it included the third call which had been made of 5 *l.* a share upon the British stock on the 4th of October, and it anticipated what it would make if it were paid; there was about 23,000 *l.* paid of the third call in all, and then differences of opinion consequent upon the stoppage of business took place and the proprietors objected to pay the remainder of the call.

2825. Can you state how much at that period was paid-up, excluding that portion for which credit was taken by anticipation?—I think it was 375,000 *l.*

2826. Was that actually paid up?—Yes, it so appeared upon the books, and I believe it to have been.

2827. Was there any discussion ensued upon this report, so as to inform the parties fully of its import and of its tendency.?—The entire meeting could not fail in my opinion of being fully aware of it, for it was read out very deliberately and distinctly, and a separate resolution proposed as to the call founded upon the report; and it was proposed by Mr. Pim of Liverpool, who was a considerable British shareholder, and he said at the time of proposing it, "Gentlemen, if a fourth call is necessary in a joint stock bank, it is not only the duty but the interest of the proprietors to pay it." So far from there not being discussion, there was a great deal of discussion after that upon the general affairs of the bank; it was particularly understood, and indeed the necessity of it was quite apparent from what occurred afterwards, for if the call had been paid, there would have been no suspension of the bank.

2828. Was there any opposition made to the report or any amendment moved to the resolution?—None; the proprietors appeared to be perfectly satisfied, and a vote of thanks in the usual form was passed to the directors, which had been passed at the two previous meetings also.

2829. You stated that the circumstances under which that meeting was called,

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were very peculiar; in what respect?—The times, in my opinion, the aspect of the monetary affairs of the whole country were peculiar; in October there was a prospect of a pressure, and that pressure prognosticated by the best authorities, and of course every one was bound to prepare in a joint stock bank to meet it in a proper manner.

2830. Had you felt any pressure at that period?—There had been an indication of it, but it was not until, I should say, after the 22d or 23d of October, that the press on our bank became decided.

2831. Who were your London bankers?—Prescott, Grote & Company; the London and Westminster Bank; Sir John William Lubbock & Company, and Cunliffe, Brooks & Cunliffe.

2832. Were those your correspondents from the outset of the establishment of the bank?—No, our first correspondent was the London and Westminster Bank; after which, as the bank enlarged, we had Prescott, Grote & Company, and then we were advised by Mr. Hardie of Manchester, when we went to the north of Ireland, as our business was very extensive, that we should have an additional banker, and he suggested, as I recollect, Sir John William Lubbock, that we should wait on him to ask him if he had any objection to open an account, and also Cunliffe, Brooks & Cunliffe.

2833. Were your arrangements with all those banks of the same character, or was there any distinction in the arrangement you made with one of the banks and the arrangements you made with the others?—The arrangement in principle with all of them was nearly the same, but the amount of contingent credit for which we might call in case of pressure was smaller at some than at the others.

2834. Will you state what was the principle of the arrangements which you made with your London bankers?—I will take the liberty of mentioning them separately. The principle of the arrangement with the London and Westminster Bank was, that we should get discounts of approved bills to the amount of 30,000*l.*, and contingent credit, in case of pressure, without cover, to the amount of 30,000*l.* more, or to be increased at the discretion of the London and Westminster Bank.

2835. Then the stipulation was a distinct credit to the extent of 30,000*l.*, and a credit account beyond that to the extent of 30,000*l.* more?—Yes, without cover; and with Sir John Wm. Lubbock & Co. I think it was precisely the same (we paid the commission upon the account, that is not necessary to mention); and the arrangement with Prescott, Grote & Co. was the same; and with Cunliffe, Brooks & Cunliffe it was a little different, they gave us a right to draw upon them for 15,000*l.*, and they were to accept our bills, provided we sent bills so as to meet them at maturity, and they gave a further discount of 15,000*l.* on approved paper.

2836. Did you find any difficulty in obtaining advances from your London bankers, in consequence of the state of the pressure in October?—We did.

2837. At what period was that difficulty first felt?—It was felt when the pressure came on; we had, in fact, though we must acknowledge it was certainly injudicious, anticipated our credit in opening branches in the north of Ireland; we did not know that the extent of business in the north would have pressed so heavily upon the bank, in addition to the other branches, and, in fact, reckoning upon the 150,000*l.* which we had ordered to be issued in May, and expecting (as can be proved by our agent in London) to get parties of very high respectability to join us, we had in the meantime anticipated to a certain extent the credit we had from those bankers I have named; so that when the pressure came upon us in October, we felt that we could not call upon them for any further advances, and, as I recollect, we did not call upon them; we knew from their letters that they had been previously themselves foreseeing the pressure, and they called upon the bank to pay up the advances that had been made, in place of our being able to get larger advances.

2838–39. The Committee are then to understand that the credits which had been promised to you by your London bankers had been drawn upon in anticipation of your call prior to the meeting in October?—Yes; we had called on the 4th of October on the English proprietors, because we thought ourselves justified, without submitting it to a general meeting, to call upon them; but by the terms of agreement with the Irish shareholders, we considered that we had no right to call upon them without consulting a general meeting.

2840. Were those credits in point of fact exhausted at the time of this meeting?—They were, according to my recollection; the books will show accurately.

2841. When those credits were exhausted, was any application made to you by

by your English correspondents to reduce the amount of that uncovered advance or to secure it?—Yes.

2842. At what period were those applications made to the bank?—They had been made previously to the meeting in October, and they were made subsequently.

2843. But they had been made previously?—They had, anticipating the pressure, and they were made on us at a most inconvenient time, though we had no right to complain.

2844. Were your London correspondents aware that you had accounts with the other banks as well as with themselves?—I think they were.

2845. Have you any doubt about it?—I have not; I do not think I have cause for having any doubt about it; I never had any personal interview myself with any of our London correspondents, it was our manager who was sent over on an emergency to London; but from the correspondence and our general understanding, I have no doubt that they each knew that we had four bankers.

2846. Can you state whether your bankers in London were aware of the arrangement which you had made with the other bankers than themselves, whether they were aware of the whole extent of your London transactions and the conditions under which those advances were made to you?—I think they were; I am not sure whether Sir John William Lubbock was, but the other three were; the London and Westminster were aware of our arrangement with Grote & Co., and Cunliffe & Co.; but I am not able to say that Sir John William Lubbock was aware of our precise arrangement with the other three banks, for Sir John William Lubbock was the last connexion we got at the time when we were going to establish branches in the north, and I cannot say that he was aware, but we paid him in full as well as the other banks.

2847. Had you applied to your London correspondents for any advances beyond the terms of their agreement with you?—I think the London and Westminster Bank and Grote & Co. extended the amount of the stipulated advance, and that without any pressing application, but upon the general tenor of the account; but not subsequently to the meeting, but previously to the meeting.

2848. Did the interruption to your London proceedings occur from the communications made to you by your London correspondents, or in any other way?—Their pressing upon us at the time that the pressure came generally was certainly peculiarly hard upon us, and we felt it the most inconvenient period at which we could be called upon; of course we had adopted every means which we could as to the restriction of discount. From the month of August or September we had restricted the discount to one-half generally in anticipation, but we felt that totally to suspend discounts would be a very erroneous plan; that it must be gradual. The Manchester gentlemen proposed that we should entirely suspend our discounts.

2849. At the time that you met in October 1836, when you yourselves anticipated pressure, and when from your communications with your London bankers you knew that the amount of available credit had been more than exhausted, and that there was an indisposition to go further, was any communication made by the directors to the proprietors of that state of things?—No; except that the report mentioned the necessity of a further payment, a call to the amount of 150,000 *l.*, and the call was strongly recommended by the proprietors, and one of the most influential shareholders got up to propose it; but the reason that the directors did not specifically state that press upon them was, that as reporters are, by the custom of public meetings in Ireland, admitted into the room, if we were to state, and it was to get abroad at the period of apprehended pressure upon a bank where there was an extensive circulation, that there were pecuniary difficulties of that kind anticipated, we did imagine (there had been no decided run at the time) that it might produce that run and that state of things which would be of course to be apprehended.

2850. Do not you think that the state of your London bank account was a material circumstance as showing the condition and the credit of the bank at that period?—I think that it showed that we certainly had a more extensive scale of operations than prudence would justify; I think that was apparent; but if the proprietors had come promptly forward, I have no doubt; from the general estimation of the bank in Ireland, that it would have sustained all the difficulties pressing upon it.

2851. There was a balance sheet laid before the proprietors at that meeting, was there not?—There was.

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2852. In what part of that balance sheet did the extent of your engagements to your London bankers appear?—I take it under the head of "liabilities;" it was not specifically stated.

2853. But you are confident that it was included in that account?—Yes; at least that was my perfect understanding of it.

2854. What occurred subsequently to the meeting of October 1836, in reference to the pressure upon the bank?—In anticipation, seeing the extent of the bank transactions, and wishing to increase our capital and our connexions, we had been from the month of September endeavouring to form in London a board for consultation and advice in connexion with some very wealthy individuals; one of whom, Mr. Christy, in London, is a partner in the bank, and was at that time; the others were gentlemen equally wealthy. We had signed a minute of agreement on the 18th of October with those gentlemen and with a very wealthy company in London, by which they bound themselves to become partners, and to join the bank, and to pay as a first payment 18,000 *l.* for stock; and they gave us to understand that the remainder of the sum which we mentioned would be taken.

2855. Will you state what company that was?—The * * * * Company; we have the minutes signed by the secretary agreeing to it.

2856. What was the date of that?—The 18th or 19th of October.

2857. Was the statement of the bank's affairs laid before them at the time that proposal was made to them?—Through our agent in London, Mr. Joseph Harris, I think it was; I think there was a general statement; whether a particular statement of the exact affairs of it, I am not prepared to say; but that gentleman is the agent of the company, and can state more particularly the transaction.

2858. Do you conceive that that company was made aware of the state of your London banking account?—I do not think they were; but when the difficulties came on we cancelled the minute, and did not register any of the gentlemen, although the minute authorized us to do it, for the difficulties came very quickly after the publication of a letter on the 22d of October, by one of our directors, in consequence of that junction with the other company.

2859. Will you go back to the meeting of October 1836, and inform the Committee by what indication the pressure manifested itself upon you?—By our London bankers pressing upon us for the payment of the balance due to them, that was a first step, and the rapid return of the notes which had been put into circulation.

2860. The return of the notes upon your branches and by exchange in Dublin?—Yes.

2861. When did that show itself, how soon after the meeting in October?—There was a little pressure prior to the meeting in October; but on the 22d of October, Mr. Mooney, one of our directors, published a letter in the papers against the connexion of the bank with the * * * * Company, because he said it was a violation of the original principle of the bank, the constructing a London board, which some of us were very anxious for, as a board of advice; and this letter being published in the papers by one of the directors, excited a feeling of distrust in the public mind, and we felt bound, all the other directors, immediately to state in the papers that we totally disapproved of the publication, and thought it was incorrect, and in fact intimated to the gentleman that having done such a thing he should retire from the direction.

2862. At that period he was a member of the board of directors?—He was.

2863. And he states himself to have been the original founder of the bank?—He was the original projector of the bank.

2864. What result did that letter produce?—It produced a very great agitation in the minds of the shareholders throughout Ireland, for the letter accuses us of being about to sell the whole establishment to some English gentlemen, and to bring all to the hammer in London; and the consequence was, that it excited not only distrust in the minds of shareholders in Ireland, but it certainly prejudiced the minds of the gentlemen in England, who were about to effect an arrangement with us; it caused us also to hesitate in pushing the matter under the then circumstances.

2865. A meeting is suggested by this gentleman, in his letter, to be held on the 5th day of November; did that take place?—No; for when he found his colleagues so firm upon the subject, he published a letter, stating his regret at having inserted the original letter and withdrawing it, and also the meeting; and we did consider that he did not intend to offer himself as a candidate for the election on the 7th of November, and as a matter of duty to the shareholders, as we considered it, we

omitted

omitted his name in the house list; he was put on lists, however, by other proprietors, but he was not elected.

2866. At the period of the publication of that letter, was the demand upon you, for specie or notes of exchange or drafts on Dublin, rapidly increasing?—I think it was.

2867. Did that extend itself to all your branches?—No. From the month of September, the pressure was chiefly in Dublin, and not at the branches; but after the publication of this letter, the pressure extended to some of the branches, particularly I think in the west of Ireland.

2868. Did you cease making advances and discounts at those branches at which the pressure was felt?—We directed it, and as far as we could we did.

2869. Are you aware whether your directions were carried into effect?—They were generally.

2870. Then there were exceptions?—There were.

2871. Where were those exceptions?—In the mercantile towns; the managers would say, that they could not altogether suddenly check their customers, and that they must do it gradually, and there they assumed a discretion to a limited extent, which we certainly, when the matter became imminent, latterly prohibited.

2872. The pressure extending itself as you have described in the provinces, where did the first stoppage of payment occur?—At Galway.

2873. Can you state the date of that?—It was on the 11th of November, but the manager had abundance of means in his hands (he was a nervous timid man, though very respectable,) at the time that he closed the doors; he opened next day.

2874. Do you mean to say that, having available resources at his command, he refused payment of the engagements of the bank?—He said he could not pay till the next day, or till he heard from Dublin, for there had been rumours; but when I referred to the means he had, I found that he had about 30,000*l.* after his gold was exhausted, which was in very good bills, upon which the very next day, or that meeting, he got an advance from one of the branches of the Bank of Ireland.

2875. Then the available funds which he had at that period were not gold?—The gold was exhausted.

2876. At the period of the stoppage you have stated that he had available means?—Up to 12 o'clock he had.

2877. Are the Committee to understand that the available means which he had for his disposal after 12 o'clock were not specie or Bank of Ireland paper, but bills?—Bills; I do not call them available means, except that he could have got an advance by asking for it in the morning.

2878. To what extent?—From 3,000*l.* to 5,000*l.* he could have got, and the very next day we sent down gold from Dublin by one of our own directors.

2879. Are you aware what the engagements of that branch were at that period; what was the amount of its circulation?—Probably about 13,000*l.*

2880. Can you state the amount of its deposits?—The deposits were rather trifling; I suppose they did not exceed 2,000*l.* or 3,000*l.*, as, upon the intimation of the pressure, people had been drawing out deposits a little before.

2881. Can you inform the Committee what amount of gold you sent down by your director on that occasion?—I think it was 2,000 sovereigns.

2882. When did the next stoppage occur, and where?—There was no other branch closed, and it was the general opinion that the closing of the branch of Galway by the manager (we called it premature, because we thought he could have prevented it,) was the occasion of the acceleration of the run upon the head-office, which had been gradually subsiding up to that period.

2883. By the head-office you mean your principal office in Dublin?—Yes.

2884. The pressure showed itself by a greatly increased demand at the Dublin office?—It did; where all the notes were payable by courtesy.

2885. Will you state at what period any interruption of the payment of those notes in Dublin took place?—On the 14th of November; we had, on the day or two previous, I believe, been with the Bank of Ireland to endeavour to get an advance from them upon the deposit of our local bills to a large amount, and just as we were in deliberation, the statement about Galway came in, and seemed to me rather to have indisposed the directors to what perhaps they might otherwise have acceded to.

2886. Did you obtain any advance from the Bank of Ireland?—We did not at that time; we sought from them an advance of 20,000*l.* or 30,000*l.* upon a deposit of our local bills; we explained to them the position in which we were

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situated, and we also frankly explained to them everything relating to our establishment; we sent them in the deed of settlement, that they might see the names of the shareholders who had signed it, whom they knew, some of them, personally; and we also tendered to them the examination of the books of the establishment, by their own accountants, to see that they were safe in advancing us 30,000*l.* upon the deposit of three times or four times the amount of local bills.

2887. Did they agree to make you that advance?—They did not; they declined it.

2888. Did they at any future period make you any advance?—No, except in this way; they said they would not make any advance on the deposit of bills, and we told them frankly we could not draw bills which we could say would be accepted upon London; but they said that they would to an extent, and I think 20,000*l.* was the outside of it, advance money upon bills not having more than two months to run, and indorsed, as a mere personal matter, by two of our directors, Mr. Hodges, the lord mayor, and Mr. Gresham; they said that, if those gentlemen indorsed them as individuals, they would discount to that extent, that was two days previously to the bank suspending its payments.

2889. Was that offer accepted by your board?—It was.

2890. And was the advance so obtained?—Yes; we got 12,000*l.* upon one occasion from them, and I think we got 20,000*l.* altogether; but I should mention, as a matter interesting in a public point of view, that during the pressure upon us for two or three days, which was very severe in Dublin, we had English bills of undoubted character, such as bills of the Commercial Bank of Scotland, on Jones, Loyd & Co., which were accepted for 3,000*l.*; we tendered them as a company to the Bank of Ireland for discount, and they declined it; and such was the state of the money market at that time in Dublin, in consequence of the Ulster Bank and the Belfast Bank having both suspended payment on the 7th of November, merely through want of facility for discount, having abundant means, in Dublin, seven days before ours, it had excited such a feeling of distrust that at the other private banks in Dublin, or such as Latouches, we could not get such a bill discounted.

2891. At that time the alarm was very general, and even extended itself to all the other banks of issue?—It was; there was a very heavy run on the National Bank, I believe there was no run on the Provincial Bank.

2892. Are the Committee to understand that the Bank of Ireland was under no obligation to give you any assistance, and that you had no account open with the Bank of Ireland at that period?—None; but we had requested the bank on several occasions to open an account for us, and, I believe, because we were a joint stock bank, that that was the reason they declined to open any account for us; we tendered them all the usual satisfaction as to our account and our deed, and everything of that kind, but they declined. It is quite right to say, that they wished, in my opinion, to discourage a joint stock bank.

2893. But nevertheless, in the time of your pressure in Galway, the advance that you have stated was made without previous stipulation by the Bank of Ireland branch at Galway, and subsequently, under circumstances which you have stated, the advance of 12,000*l.* was made to you?—Yes, the branch at Galway did it as a private transaction between the two managers, and without, as I understood from our manager, the approbation of the head board; but, on the contrary, when the Bank of Ireland heard it, they prohibited any further assistance; but they themselves gave us the accommodation, as a personal matter to two individuals, upon undoubted bills of two months, which they would have done to any ordinary person.

2894. Was there not at that time a considerable limitation even of the means of accommodation of the Bank of Ireland?—There was; they behaved with the greatest personal courtesy to the deputation. I was one of the deputation who waited upon them, and as far as their personal courtesy went, there was every apparent wish to do it; and I believe if we had had available English bills when the matter became very imminent, they would have extended their accommodation; I think it but right to say that.

2895. Are you aware whether any difficulty was produced upon the Dublin money market at that period by reason of the doubts and uncertainty with respect to the law whether the Bank of England paper was or was not a legal tender in Ireland?—I think there was very great doubt; and with reference to that, I should mention that we had frequently, some months previously to October, had large quantities

quantities of English notes, and we could not get them exchanged by the Bank of Ireland except upon paying half per cent.

2896. Supposing generally that the Bank of Ireland were compelled to receive Bank of England notes, or that it voluntarily received Bank of England notes in deposit, what do you think would be the consequence with respect to the supply of bullion for Ireland, as between the Bank of Ireland and the other banks?—I think that it would be exceedingly useful.

2897. Would it not have this effect, that parties depositing Bank of England notes with the Bank of Ireland, and thereby acquiring credit to the amount of such deposit, would be enabled to draw against that credit in the Bank of Ireland notes, and to exchange those Bank of Ireland notes for bullion?—There is no doubt that would be the effect.

2898. Then would not the consequence be that the whole expense of the transmission of bullion for the use of all the Banks of Ireland might by such means be thrown upon the Bank of Ireland?—It might; and I do recollect in one of our interviews with the Bank of Ireland some of the directors expressed it as though they considered it a very great grievance upon them, and they even remarked that they would, if they could legally do it, feel justified in refusing it in payment of bills, but that they were advised that they were bound by the interpretation of the law to receive them in payment of bills, but they would not receive them as deposits.

2899. In consequence of those circumstances which you have stated, were any and what measures taken by the directors, in reference to their shareholders; was any public meeting called, either by the directors or by the shareholders themselves?—On the 14th of November, which was the day of the suspension of the bank, in the morning we had an expectation of getting a further advance of 50,000 *l.* from the Bank of Ireland, upon producing the same security of local bills, but we were disappointed of that late in the day; and finding that we could not oppose the press upon us, we felt it right to suspend payment, and we thought that the best way for the sake of public credit, as regarded other banks as well as our own, was to publish a series of resolutions in the public papers the next morning, stating the unavoidable suspension in Dublin of the bank, but that the assets were perfectly sufficient, as has been subsequently proved, to meet all its engagements; and further to prevent any panic in the public mind, as much as we could, we pledged ourselves to receive the notes of the bank in payment of all the bills on hand which we had, from the persons holding the notes.

2900. What was the date of that meeting?—On the 15th of November we published it; the meeting was on the 14th, the very evening of the stoppage. We also thought it but right, before it had reached the country, that evening to send to the National Bank Office in Dublin, and to advise them confidentially, that the next morning the advertisement would appear as to the suspension of the bank, and we did that before post hours, to enable them to provide against any re-action which might come upon their branches.

2901. What do you mean by the stoppage on the 14th?—A suspension of the exchange of notes in Dublin, and declining to pay the letters of credit issued by our branches.

2902. Did that arise from the total exhaustion for the moment of credit in Dublin, and exhaustion of credit in London?—It did.

2903. Had you taken any means to raise money, meanwhile, at any of the joint stock banks in England?—We had.

2904. Where?—At the Northern and Central Bank; but they were very heavily pressed themselves, though we did not know it; but most of our directors were shareholders in that bank, and we thought that we should apply to them and state to them as we did to Mr. Hardie, who was one of our largest proprietors and one of their directors, the state that we were in; and we urged the necessity both on him and the English proprietors of supporting us: but the run had nearly subsided when the Galway branch stopped.

2905. Had you obtained any advances?—We got none.

2906. Did you apply to any other joint stock bank?—We did to the Liverpool Union Bank, and we applied to a private bank, Barnard & Co., a very respectable private bank in Liverpool; and I believe we applied, I am not exactly sure, to the Commercial Bank of Scotland.

2907. After the publication of your resolutions, were any steps taken by the shareholders or by the directors to call a general meeting of the company?—The

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directors judged that in a moment of panic, when we had nearly a million of bills on hand, it would be very injudicious to convene a public meeting till the debts were paid; but on the 19th of November, that is five days afterwards, the Belfast shareholders called a public meeting of their own shareholders, and in the interval they sent two of their largest shareheholders, Mr. Emerson and Mr. Cordukes, to Dublin, to investigate the state of the books; and those gentlemen had opened to them, according to the best of my knowledge, all the books of the establishment, and they made a report giving the state of the concern, and certifying it as correct, and the directors did not withhold any information from them, for they wished to have it as full as possible; here is the balance sheet with the certificate of those gentlemen, (and it is more remarkable, for one of them now opposes the company very vehemently); this is the certificate, "We, the undersigned, at the instance of the board of directors, have, for the satisfaction of all parties interested, minutely investigated the books and accounts of the company up to the 5th instant (being the latest period to which the same have been fully made up); and we hereby certify, that the above statement is correct, Jonathan Cordukes, Belfast, Arbuthnot Emerson, Belfast; Dublin, 7th November 1836."

2908. Did those gentlemen lay that report before the Belfast shareholders?—They did; and on the 19th of November, that was five days after the suspension, I was requested, along with Mr. Gresham, to attend that meeting as a deputation from the directors; we did attend, and we understood the intention of the parties that had assembled there was to propose a dissolution of the company five days after the suspension, and with all the other debts remaining unpaid. We considered that very unwise, and by no means justified by the certified balance-sheet, which showed a balance of 6,000*l.*, and we did represent that to the meeting. They did not bring such a proposition forward; it was in private we heard it; and resolutions were proposed at the meeting, which unanimously pledged them to co-operate with the board, and by the resolutions the Committee will see that they were far from entertaining any of those feelings which afterwards showed themselves. The result of the meeting was very useful, because it allayed a good deal of disquiet and enabled the directors in Dublin to bestow their exclusive attention to collecting in the bills and paying off all their engagements, which they accomplished in nearly three months.

2909. When did the next general meeting of the shareholders take place?—There were meetings held all over Ireland by the shareholders, and in those meetings they pledged themselves mostly not only to pay the call, but to sustain the credit of the company.

2910. Were those publicly convened?—Yes, by public advertisement; and generally presided over by most respectable persons.

2911. When did the next meeting take place?—On the 20th of March there was a meeting convened for the appointment of auditors; and I should say that the reason of the directors for not convening a meeting sooner was, that the debts had not been paid off, and they considered it highly dangerous, in the excited state of public feelings, to banks in general, to have a public discussion till all the notes and engagements were paid.

2912. Was the proposition of appointing auditors one which emanated from the directors themselves, or pressed upon them by shareholders?—Mr. Threlfall had been over to Dublin from Manchester, and he published statements in Manchester that he had been over, and had satisfied himself of the state of the bank, and this appointment of auditors was pressed upon the directors; it was the result, in fact, of an amicable arrangement.

2913. The shareholders having taken steps to appoint auditors for themselves, it was considered expedient by the directors to meet them half way, by having a public meeting for the appointment of auditors regularly?—Yes; I should mention with respect to the call that was made, that after three months from the time it was made, there was a resistance to the call, and the board of directors did not consider that they were bound to call a meeting if the shareholders had not paid their calls, which is the agreement in the deed of settlement, and the universal usage, and some of the shareholders in Manchester filed a bill against the directors.

2914. What steps were taken for the appointment of auditors?—It was agreed on the 20th of March, by a mutual board, that four auditors should be appointed, and they agreed that they should appoint auditors in an amicable manner, one to be appointed by each district.

2915. Who were the gentlemen?—Mr. Dundas of Belfast, Mr. Goodier of Manchester, who was in fact cashier to the Northern and Central Bank, he was named

named by the Manchester shareholders, Mr. Robinson of Dublin, and Mr. Molloy of Dublin.

2916. Was there not also Mr. Bell?—The agreement which we had formed was to appoint four auditors, which was signed, one for the north, one for the south, one for the west, and one for England; and at the meeting of the 20th of March, which was a meeting merely invited to assemble as the Committee would, for legal notice was not given to make it a meeting binding, but we agreed to meet there in an amicable manner to appoint them; and then I must say, without meaning any disparagement, that the shareholders of Belfast came down in large numbers in a steam-packet, probably a couple of hundred, and they would not allow any discussion; the whole progress of the bank was submitted to the meeting, and they would not listen to a word of the report, they would listen to nothing, and then they insisted upon appointing five auditors, two from Belfast instead of one, and Mr. Bell was the second gentleman proposed, who had been, during the two months previous, circulating all species of hostile letters through the branches, and speaking in the most disparaging terms not only of the company but of the board; the board did not consider that that gentleman could be impartial, that he was an unfit person to act as an auditor, having stated in writing his determination as to the destruction of the company; and they refused to accede to two auditors being appointed from Belfast, but said they would accede to the appointment of one, which was Mr. Dundas.

2917. Then you considered the application made to the meeting for a second auditor from Belfast to be inconsistent with the original agreement, and it was upon that ground resisted?—Decidedly; I myself personally would have acceded to the appointment of Mr. Bell, but the board thought it was irregular.

2918. The four auditors that were appointed were appointed with the consent of the shareholders and with the consent of the committee?—They were named at the meeting, and they were appointed, as the directors considered, under the memorandum in March, but not by resolution of the meeting, which went beyond the object for which the advertisement called it.

2919. Will you state in what respect you consider there was a variance between the one and the other?—The terms of the resolution proposed at the meeting of the 20th of March were in words and substance totally different from the memorandum.

2920. Will you state both?—The memorandum of the 7th of March contained the form of the resolution to which we had agreed, the resolution of the 20th of March was the one passed at the public meeting, which we said was totally different.

2921. Who was in the chair at that meeting?—Mr. Gresham.

2922. Did he put the resolution from the chair?—I believe he did, but there was no discussion permitted; the Belfast gentlemen offered the greatest violence, and would allow of no discussion; they proposed to appoint trustees and to petition Parliament; and one of the trustees they proposed was the very gentleman who, I regret to say, is now in the Gazette, Mr. Hardie; the resolutions were all drawn up by Mr. Mahony.

2923. Mr. Gresham was unconnected wholly with the Belfast shareholders, was he not?—He was, except being considered to think entirely with them.

2924. But he was connected with Dublin, and had been confidentially connected with the directors in Dublin, had he not?—He was put on the house list by the board themselves, and he was elected a director for the purpose, in fact, of giving confidence, because the Belfast gentlemen seemed to have a regard for him; they generally stopped at his hotel in Dublin.

2925. Is he not a man of wealth and general respectability?—I believe him to be a man of wealth.

2926. Was it not upon his personal guarantee, in conjunction with that of another gentleman, that the advance was obtained from the Bank of Ireland?—Yes, but Mr. Gresham got not only ample security, but six per cent., which has been paid since; and the other directors got other advances on their own responsibility from the Royal Bank.

2927. Did Mr. Gresham declare this resolution to be carried, which appointed those four gentlemen as auditors?—I believe he did.

2928. Have you any doubt about the fact?—I have no doubt; but I have also no doubt that it was not a legal meeting, according to the deed, and was not carried in a proper manner.

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2929. Did those gentlemen undertake the duty of auditors?—They did, four of them.

2930. Excluding Mr. Bell, to whom the directors objected?—Yes.

2931. In proceeding to the execution of their duties of auditors, were they allowed full access to all the books and proceedings of the society by the committee?—The four auditors were allowed to have access, and under the terms of the minute of the 7th of March, they undertook the duty; and directions were given to the officers to exhibit everything to them that they required.

2932. Did they make a report?—They did.

2933. Have you a copy of that report?—I have.

2934. Will you state the circumstances which occurred at the meeting; you have described it as tumultuous?—Very much so.

2935. Was there anything approaching to a breach of the peace?—I think there was, there was personal violence; the breaking the tables, and smashing the lustres, and everything that could constitute anything but calm discussion; and none of the gentlemen who wished to discuss it in a business-like manner would be listened to.

2936. Would it be possible to discuss the complicated affairs of a bank, on winding up its large interests, in a meeting of that description?—Indeed, I think it would; but I think the Belfast shareholders were labouring under very peculiar and excited feelings from gross misrepresentation; the rest of Ireland was very quiet.

2937. Was this report of the auditors read before the committee, or before a subsequent meeting of shareholders?—The Belfast shareholders did wish the committee, and they themselves asked if there was any objection to see it before the subsequent meeting on the 17th of April, which was called in consequence of the memorandum of the 7th of March and in strict compliance with it; the directors punctually adhered to it; but the directors did consider, although as we anticipated from Mr. Dundas having been named as an auditor, who was when a manager in hostility to the board or insubordinate, the report might be of a peculiar nature, perhaps personal to themselves; and also judging from some expressions that Mr. Dundas used during the audit, "that he would make the board of directors suffer for their treatment of him when he was manager;"—but still we considered that till the meeting of the 17th of April, it was not proper to see their report, and we declined seeing it.

2938. But notwithstanding those differences between Mr. Dundas and the directors, they had acquiesced in his being named as one of the auditors?—Certainly, because they wished to show the Belfast shareholders, who knew of the differences between them, that even to a person who might be considered prejudicial or hostile, they would allow of the inspection of the affairs; and they considered him a clever man in accounts, I should mention also.

2939. Had they, by reason of any difference with him, removed him from his former situation of manager of the Belfast Bank?—Yes, he resigned.

2940. At what period?—About a month or six weeks previous, in consequence of a very strong remonstrance from the board of directors for his obeying the peculiar local board instead of the central board.

2941. Then his removal was by his own resignation, but not by the act of the directors?—No; but the committee requested us to reinstate him; and wishing to show that there was nothing like personal feeling on our part, he was reinstated, to show the shareholders of Belfast that it was merely our wish to keep subordination in the establishment. He afterwards again resigned because he was going finally to quit the company; and the board did testify to him at that time, that as a man of business they always had considered that he had been exceedingly accurate. It was with his extravagance of expression and adherence to his own local board, that the directors found fault.

2942. Appended to this report of the auditors is an account showing the difference resulting from the inquiries of the auditors, as contrasted with the sheet of liabilities and assets of the 25th of February 1837; that balance of February 1837 was the original balance sheet which had been exhibited to the deputation from Belfast, was it not?—Yes; it was founded on that.

2943. No. 1 states that the branch at Castlebar was charged as holding 19,541 *l.* in bills more than the actual amount?—Yes; our explanation is here by the agent of the company: "This difference was explained to the auditors thus, that the branch had been written to, in common with the other branches, for an authenticated balance sheet to the 25th of February, which was not supplied until the 6th of April,

April, and in want of which the balances appearing in the ledger were substituted, and of which the auditors were aware."

2944. How do you know that the auditors were aware of that?—This is signed by the accountant, Mr. Brierley, who was recommended to us by Mr. Latouche, and who was originally in the Provincial Bank, a gentleman of high character and acquirements, and the Committee can have him to verify the fact.

2945. In the original balance sheet was any statement made that, as far as the Castlebar branch was concerned, the balance was struck on inadequate data, not bringing the account up to the exact period to which the account referred?—Mr. Brierley also made up the other balance sheet to the 25th of February.

2946. Sir *John Wrottesley*.] What was the nature of your correspondence with the branch at Castlebar with regard to their accounts?—Once a week they furnished a balance sheet of their transactions; they should do it, and generally did it.

2947. Would not that balance sheet show the amount of cash in hand?—It should; but we state here, "that the branch had been written to, in common with the other branches, for an authenticated balance sheet to the 25th of February, which was not supplied until the 6th of April, and in want of which the balances appearing in the ledger were substituted, and of which the auditors were aware."

2948. Do you mean that their not being reported in that interval, you took the cash account from the ledger, which ledger contained the last balance sheet that you had?—That is what I would infer from this statement.

2949. What was the date of the last balance sheet or weekly account which you had received from Castlebar?—I could not distinctly say from my memory.

2950. Then, at all events, the bank had no balance sheet between the 25th of February and the 6th of April?—They had not from that specific branch; the Committee may well imagine that the circumstance of the bank paying its engagements under a pressure, and particularly as we had a change of officers (the Scotch gentlemen that had been connected with us, had left us to the amount of ten clerks and managers, and we had new hands), that our paying the expenses and settling the transactions of an extensive establishment without incurring any law suit took up a great deal of time, and occasioned irregularity after the pressure and run.

2951. *Chairman*.] The difference between the two statements amounts to the sum of 19,500 *l*.; in that interval of time between the last rendered balance sheet and that period, supposing both accounts to be correct, there must have been an accumulation of bills in the hands of the branch to the extent of 19,500 *l*.?—No; I should not infer it. They were not doing business at the time.

2952. If they were not doing business at the time, how is it possible that during the interval of time, presuming both accounts to be true, there should be an increase of bills in their hands to the extent of 19,500 *l*.?—That I am not prepared to say, for, in matters of complicated detail, the Committee would not expect that I should be able to explain it thoroughly.

2953. But when this report of the auditors was laid before the directors in Dublin, did they not feel it their duty, independently of the mere certificate by the accountant, to ascertain of their own personal knowledge the causes of the difference which appeared between their previous sheet and the examined account of the auditors?—They did; and I think the probability is that the rest of the board could explain it more clearly than I can; I applied myself to the correspondence with the numerous branches with a view to bring them into order; and personally I am not able to answer that, though I am sure it is capable of a perfectly satisfactory answer.

2954. Having applied yourself to the correspondence, was there any correspondence specially with the branch at Castlebar, in order to understand with precision how this increase of bills occurred between this interval of time?—I think there was; but the routine letters of business were written by Mr. Brierley the accountant, and it was the general correspondence with the material affairs that I used to attend to.

2955. Do you not conceive that this difference of 19,500 *l*. in the bills on hand in one especial branch, noticed as it was by the auditors, was a material matter which would come under your cognizance as directing the correspondence?—There were three of the board that met every morning to direct the correspondence, and one or other of the gentlemen would direct the letters to be written, and generally they wrote special letters themselves.

2956. The second remark of the auditors is, that from the "Killarney branch no perfect balance sheet has been returned; that from which the estimate is taken shows

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shows an error of 1,899 *l.* 19 *s.* 4 *d.* to the prejudice of the assets:" what is your explanation of that?—The imperfect balance sheet of this branch was occasioned by the absence of the accountant, who was ill of fever, and was merely for the month of February, without reference to the transactions since October last, consequently the amount of bills was considerably short; and a sum of 949 *l.* 19 *s.* 8 *d.* was entered as "cash credits" instead of "deposits," which caused the difference as noted by the auditors, of the cause of which they were aware.

2957. In the case of absence from illness of an officer of the bank, did not your local directors execute his duties, or see that they were executed by some other person?—It was their duty to do it.

2958. But it was not done?—That I am not prepared to say, though it would appear from the statement that it was not. I have got what the accountant has called a test of those errors here, which shows the difference.

2959. The third particular is, "the October dividends amount to 9,375 *l.*, from which is to be deducted such portion as has been paid; the extent whereof we have no power of ascertaining, but consider the balance remaining yet due must be large against the assets." What is the explanation of that?—The amount ascertained to have been paid is 1,121 *l.* 12 *s.* 8 *d.* The above sum of 9,375 *l.* was calculated on the then nominal as well as actual stock, and is considerably beyond the proper adjustment of the dividend.

2960. That is Mr. Brierly's answer?—Yes.

2961. And you believe that to be accurate?—I do.

2962. Number 4 states that the current bills at the head-office were over-estimated to the amount of 21,819 *l.*; how did that occur?—The bills were re-discounted previous to the day of closing, for the more speedy discharge of bankers' accounts, but were omitted to be discharged until the 27th of February, that is two days after. The auditors were made acquainted with the transaction, and were requested to introduce the bankers' balances so discharged as a set-off against the bills. Owing to the explanation, the words "over-estimated" were rather unfavourably introduced, and indeed unnecessarily.

2963. But that balance sheet, which the auditors were examining, was prepared in Dublin, was it not?—It was; it was founded upon that made by Messrs. Cordukes & Emerson, shareholders, in Belfast.

2964. And it was made at the head-office?—It was.

2965. The bills at the head-office were within the cognizance of those making the balance sheet?—They were; it states here, that they were re-discounted previous to the day of closing, for the more speedy discharge of bankers' accounts, but were omitted to be discharged until the 27th of February.

2966. Can you state at what period those bills were re-discounted?—It was, I should take it, shortly before the 25th of February; for the reason of re-discounting of bills, as the Committee may wish to know, it was this: the London bankers very kindly, when they saw the state of our affairs, agreed to take payment of their advances by instalments, and we arranged the instalments so as to let the bills fall in to meet them; and in the meanwhile some of the bills in the country were not punctually paid; and desirous of keeping our engagement with the London bankers, we got the local bills re-discounted by Mr. Gray of Dublin, for the purpose of meeting the engagement with the London bankers punctually, as agreed upon.

2967. But those local bills having been, by the authority of the head-office itself, previously passed out of your possession, how did it come to pass that in the balance sheet subsequently made up, those bills are entered as in the possession of the company, thereby increasing the assets available?—As it states here, they were omitted to be discharged until the 27th of February. The only explanation I can give is, that sometimes Mr. Gray, who was very extensively concerned in money transactions in Dublin, would require the bills to be left with him to be examined and inquired into before he would give an answer as to whether he would do them or not; and in the meantime the gentleman who had the custody of the bills would make a memorandum in his book till the transaction was finally settled, but would not make the general entry which perhaps the transaction would require.

2968. Is there any such memorandum made in any book?—That I cannot say, but I am merely giving you my explanation of the transaction.

2969. Your attention having been called to the fact by this report of the auditors,

auditors, upon a matter so essential as the amount of the bills at the time in the hands of the head-office, have you no further explanation than that which you have given to the Committee?—I inquired of the accountant respecting this, whom I considered a competent person; he gave me and the board this explanation, and by the board this explanation was deemed satisfactory. Independently of paying all the engagements of the bank, we had from England and Ireland, from morning to night, deputations of shareholders in the board room, so that if we had had three times as much time I do not think all the inquiries could have been answered.

2970. Then are the Committee to understand, that in point of fact, taking both sides of the accounts, no difference would have arisen, because of the 21,819 *l.* in bills having been applied in satisfaction of your bankers' account; in proportion as the amount in your bills of assets were lessened, so on the other hand your liabilities were lessened also?—That is precisely my understanding of the answer.

2971. Then, the amount of your assets having been ultimately increased by 21,819 *l.*, there must have been a corresponding item in the amount on the other side?—The liabilities were not increased as they should have been.

2972. You are sure of that?—That is my understanding of the transaction.

2973. Sir *John Wrottesley.*] The liabilities and assets being stated, and the bills current in Dublin, held by R. Gray, to the amount of 21,819 *l.*, being stated as liabilities, where do those bills appear upon the assets?—Not in this small account; we do not see them except in the general gross total; it appeared to me that the liabilities had not been decreased in the account, and therefore that was not exactly a sum to the prejudice of the assets, and the accountant stated it so to the auditors at the time.

2974. *Chairman.*] It is stated in No. 5, that "The following accounts due to persons on the 25th of February, and paid soon after out of the assets, had not been included amongst the liabilities; viz. Robert Gray's salary, commission, &c., 8th July 1836, 890 *l.*; directors' salaries and travelling expenses, paid on the 27th February, 1,000 *l.*"?—That, I think, is explained. Regarding the first item, Mr. Gray held against it 1,735 *l.* of the bank's notes, which he had retired at closing his agency.

2975. Who was Mr. Gray?—He had been agent to the company for the exchange of their notes at Dublin till the opening of the Royal Bank, when it was transferred to them.

2976. Was he the gentleman from whom this discount was obtained?—Yes; the balance of which he allowed, with other items, making 946 *l.* 13 *s.* 4 *d.*, in a transaction immediately previous to the date of closing; Mr. Gray explained this to the auditors. As to the other three items they could not have been introduced into the liabilities, as they did not appear in the books, and could not have been recognized, as they were not, previous to the day of closing, delivered to the accountant.

2977. Was not the accountant aware that the directors' salaries and travelling expenses were due at that time?—I should think he was aware that they were due, but might not have been aware that they had been actually paid.

2978. The question is, whether they ought not to have appeared in the liabilities: if they were due, and if the accountant must have been aware that they were due, upon what ground is it that they did not appear in the liabilities?—His reason is, that they could not have been introduced as they did not appear in the books, and could not have been recognized as they were not, previous to the day of closing, delivered to the accountant.

2979. When a dividend became due, would not that be charged to the company as a liability?—Yes, when it was struck.

2980. Would not, in like manner, the charges of the directors, the moment they became due and payable, constitute a liability to which the company was subject?—It was optional in the board either to pay the salaries yearly or half-yearly, but it is for a skilful accountant to say, if a sum was due and not paid, whether it should not be included in the liabilities; common sense would say that it should be.

2981. Could it be included as a liability, if it had been paid?—No.

2982. Then an account of liability must be precisely of the nature of an engagement not paid, but for which the party is bound to make provision?—Yes; but at the time that accountant made up the account, he states that he had not

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known that this matter was actually paid, and he did not think, perhaps, that it was to come into liability until the next half-yearly account.

2983. Will you have the goodness to explain the next item, "Hollbrook & Co's. account, paid in March, 2,100 *l.*"; what is that?—Mr. Hollbrook's account, who was engraver to the company, and it was his general account for that business.

2984. Was that account rendered at the time?—It was; it had been rendered for some time previously, but we disputed the amount; we reduced it by 500 *l.*, for the account rendered was 2,600 *l.*

2985. But in the accounts it was entered as liability?—That I would infer; as to the other three items, they could not have been introduced into the liabilities, as they did not appear in the books, and could not have been recognized as they were not, previous to the day of closing, delivered to the accountant.

2986. Had not the accountant access to all the documents to show the liabilities of the company?—He had in this way; when the account was paid, there was an order given to the cash clerk or accountant, by the agent of the company, to pay it, and the accountant, up-stairs, made his entry from the entries delivered in by the agent below.

2987. "Chambers' account, 552*l.*;" what does that mean?—That was an account for books of account; he furnishes books to most of the bankers, to the National Bank of Ireland, and I believe to Latouche's bank, and is considered the most eminent maker of bankers' books in Dublin.

2988. Who is he; is he the same gentleman who was director of your own bank?—He is.

2989. Therefore he, being a director, was also the stationer of the company, and as such had a demand at this period against the bank for 552 *l.*?—He had; and I should state that Mr. Chambers, as a stationer, bears a very high character; and the directors did consider always, upon examining his accounts, that they were the usual and proper charges.

2990. Can you state the amount which has been paid to Mr. Chambers, by the bank, from its establishment to the present time?—I cannot at present, but it can be had; stationery, in an extensive establishment with 35 branches, comes very high.

2991. Did he furnish the check-books of the bank, or were they furnished by Mr. Hollbrook?—No, by neither; they were furnished by Batho & Bingley in London, wishing to have them upon the best model.

2992. Were the check-books very numerous, and was the expense of preparing them very great?—I think not.

2993. Was the issue of checks very considerable?—We have no checks in Dublin, and therefore we cannot judge; but I should presume at the branches that they were considerable.

2994. You know it probably from the number of check-books that were furnished; that would show the amount?—It would.

2995. But you are aware that in the establishment of a bank with many branches, above all on the joint-stock principle, the use of checks is greatly extended?—I think it is; and I have seen a very large quantity of check-books arrive from London.

2996. Do not those checks serve the purposes of circulation to a considerable extent?—Never, to my knowledge, in our bank.

2997. Do not they, in passing from one hand to another, serve the purpose of the payment of the sum which they represent in bank notes?—They may in the country payments. I know in the Bank of Ireland that checks were received, drafts upon the provincial bank, as if they were bank notes, from persons whose stability is known.

2998. It is stated by the auditor, No. 6, that "a sum of 1,778 *l.* is returned as owing by Messrs. R. Guinness & Co., which is denied by them;" what is the explanation of that?—This item was also explained to the auditors thus: Messrs. G. & Co. charged the bank as having returned to them notes and letters of credit amounting to 15,000 *l.*, which, on examination, proved to be only in amount 13,222 *l.*, leaving the above difference to be accounted for by them; therefore they were put upon the books as debtors to that amount. Guinness had been our agent, previously to Mr. Gray, for exchange of notes.

2999. Passing over No. 7 and No. 8 for the present, will you give some explanation of No. 9, with respect to 45,348 *l.* being the amount of the agricultural and commercial bank stock repurchased, with all the particulars of that transaction?—

transaction?—That word *repurchased* is not a proper word there; *reverted*, in my personal opinion, would be a better.

3000. Will you explain the transaction?—The auditors were informed that this sum was made up of stock taken back at sundry valuations to cover bad or doubtful debts, and also to such managers as had been dispensed with, they having been obliged, by the terms of the prospectus, to take shares as a qualification, and under special circumstances, and at the discretion of the board, with their bonds, might be returned to answer certain cash; but I can perhaps explain it more intelligibly to the Committee.

3001. Are the Committee to understand that the directors of the bank themselves made bargains with their own shareholders for their surrender of the stock which they held at a depreciated price?—No.

3002. Will you then explain that transaction?—When those persons who had credit accounts were appointed to be shareholders of the bank, if they held shares they were sometimes required, as collateral security to their accounts, to transfer their stock, there being a power given in the deed of settlement to advance to partners upon the credit of their stock; and in a good many cases where we have given credit accounts to persons where we considered that holding stock would be an additional security, the board have taken a transfer of that stock as collateral security; then when those persons turned out bad, or came and said, as in the case of one man, Mr. Walpole, which was made the subject of charge against the directors; 3,000 *l.* stock he held, and he got a credit for 4,400 *l*; he paid the 1,400 *l.*, and came to the board and said he was about to become a bankrupt, and requested them to take a transfer of 3,000 *l.* stock. We first consulted Mr. Jonathan Pim of Dublin, and one of the friends of Mr. Walpole, whether it was true, and he said it was correct, and advised us to take the stock. The other accounts are made up precisely in the same manner; in fact, they never buy their own shares.

3003. Are the Committee then to understand that this amount of shares or of stock, was taken from those parties under the circumstances that you have described at its par value?—At its par value, with the exception that we deducted the dividend and outfit, and gave no interest.

3004. Have any of those purchases or reversions of stock, as you have described them, taken place since the bank shares have been at a considerable discount?—They have.

3005. Notwithstanding the shares being at a discount, you have accepted those shares on behalf of the bank at their par value?—In cases where we could not avoid it, as the best security we could get.

3006. Have you ever purchased, directly or indirectly, the shares of dissenting proprietors at a discount?—Never.

3007. Never took any steps for that purpose?—Never. This paper states that we also took back from some managers, when they were dispensed with, at their request, the amount of stock which they originally took as qualification; and we did it upon the ground that if we called upon them to give up an office, as a qualification for which they had taken stock, that it was a matter of common justice to the officer to relieve him from the stock, we having requested his retirement.

3008. Did you take back that stock from those managers at par also?—In all cases where we called on them to retire, as wishing to get rid of the expense, we considered we were bound to do so; but where the resignation came from our manager (I remember one case, Mr. Palmer of Longford), we gave him only the market value.

3009. No. 11 states, "Bank notes issued were returned in the sheet as 5,000*l.* outstanding; since that period there appears to have been retired 16,902 *l.* 10*s.*, after allowing for all notes on hand at the branches on the 25th February; this causes a difference of 11,902*l.* 10*s.* against the assets;" how do you account for that difference in the outstanding bank notes?—As to this statement, it is necessary to remark that, previous to striking an apparent balance of issue, all notes retained in the branches were taken into account; but as a proper adjustment of the notes had not then been effected, no certain statement could have been made. The difference, however, is as uncertain as it could well be, as many branches had been paying in the bank notes to parties who requested them, so that the notes which were in any one branch on the 25th of February, might have been dispersed

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through several others up to the time of auditing, as was explained to the auditors.

3010. Are the Committee then to understand that you had no adequate data in striking your balance sheet to know the exact amount of your own promissory notes payable on demand which were outstanding?—The Committee are not so to understand.

3011. Are the Committee to understand that you had adequate data?—We had what the accountant, I presume, considered adequate data.

3012. Do you consider that as adequate data?—From the discrepancy which would appear by this second return from the accountant, I should say that it would not appear to me as stringent as it ought to be; but I have not the experience of banking that the gentlemen of the Committee have, to know how they keep it in a stringent manner, particularly after a heavy run, which naturally confuses the accounts.

3013. Have you any further explanation to give?—I have. Here is an account which, since the last day of my examination, I wrote to the accountant to furnish; it is a weekly statement of the notes in circulation, by which will appear the circulation on the 1st of October, on the 8th of October, the 15th, and so down to the 31st of December; that scale would certainly give the Committee, in a public point of view, an idea of the operation of the run upon us and the increase. The Hon. Member for Kilkenny, on the last day of meeting, examined me pretty much as to how I could account for the circumstance that 421,000*l.* was out upon the 1st of October, and how it could have happened that 507,000*l.* could have been retired up to the 5th of November there, when he said, there being a pressure, it was not likely we would issue notes. I got immediately a return, and it does appear that they did issue; so that up to the 29th of October our issue had increased to 515,000*l.* from 421,000*l.*; the run had not extended to the branches. The exchange of notes was very heavy in Dublin, but the pressure at the branches was not very heavy then, it began to descend. On the 5th of November it was 507,000*l.*: on the 12th, 444,000*l.*; on the 19th, 305,000*l.*; and so down to the 31st, when it was 101,000*l.*, gradually descending; and it has all since been paid off, as would appear from another return which I have, with the exception of 154*l.*; we have had advertisements in the public papers, being anxious to retire all the notes.

3014. Were all those retired in full?—They were, and without any loss or inconvenience to the public, and without any assistance from any external source.

3015. Do you connect the inconveniences and losses to which the bank has been subject to the circumstance of their having extended themselves too widely by the establishment of branches too numerous of themselves, and in places not competent to yield a fair return of banking business?—I think the branches were too numerous.

3016. Had you confined your operations to the larger cities and towns of Ireland, do you consider that you would have had a better description of business, and more facility in meeting the demands upon you?—I do not; I think the competition would be so much greater there, that I do not think, judging from the result of the transactions, that the bills would have been paid with the same regularity, for I have a statement here of the amount discounted at the 33 branches, from the period of their opening to the 1st of April 1837.

3017. Do you think, taking the names of all those places where you have established branches, they are places where, if you had to begin again and reconstruct a bank, you would find it advantageous to construct branches?—I do not; we have resolved to close 20 branches.

3018. Supposing that the same duty had been payable upon each of those branches as a licence which is payable upon a single bank, would you have began those branches?—I think the licence would not have impeded it; the reason I say so is, that we have never established a branch except upon a request of the inhabitants of the locality, and not without a very pressing request by persons stating that they would subscribe to that branch.

3019. Is it not clear that cases not only may but must arise, in which the establishment of a bank may be extremely convenient to the inhabitants of the locality without being generally advantageous to the bank itself?—Decidedly.

3020. Do you think that the establishment of branches in some of the cases which you have under your cognizance were of that description?—I certainly think

think that they were more advantageous to the people of the locality than to the bank.

3021. Do you not consider that the number of those branches in the time of pressure, when there was a great demand for gold, greatly augmented the difficulty of your position and added to your embarrassment?—I do: under the law as it is in Ireland, which I need not say is not the same as in Scotland, the notes being payable at every branch, and by courtesy in Dublin, the numerous branches in Ireland are attended with dangerous effects, which they are not in Scotland, where they are only payable at the head-office.

3022. Have you the amount of the circulation issued at the respective branches at the time of your full business?—No, but it could be furnished. I would wish to record my opinion unequivocally,—if it were nothing but the complexity of management, I consider too numerous branches as not desirable; but we were not peculiar, for the other joint stock banks in Ireland had very numerous branches. This is an account which I have prepared in answer to a question by the Hon. Member for Dublin, and it gives an average of the bills discounted from 1,000 *l.* to 10 *l.* and 5 *l.*

[*The Witness delivered in the same which was read, as follows:*]

		£.
"Class No. 1. per 1,000 *l.* and upwards		15,000
— 2. - 500 *l.* to 1,000 *l.* say $\frac{1}{150}$		25,000
— 3. - 100 *l.* to 500 *l.* say $\frac{1}{300}$		84,000
— 4. - 50 *l.* to 100 *l.* say $\frac{1}{300}$		150,000
— 5. - 30 *l.* to 50 *l.* say $\frac{1}{5}$ -	£. 820,000	
— 6. - 10 *l.* to 20 *l.* say $\frac{1}{2}$	- 2,100,000	
— 7. - under 10 *l.* -	996,000	
		3,916,000
	£.	4,190,000

The Committee may perceive that the enormous sum of 3,916,000 *l.* was dispersed amongst a class of persons who, above all others, the bank's chief object was to save, and under what alarming difficulties must they now labour, deprived as they are of such a means of raising themselves from long-endured indigence to comfort, and the hope of future independence. The principal portion of the past-due bills are of the classes 4 to 6; few, comparatively, remain of 1, 2, 3 or 7; the bills of the industrious agriculturist and tradesman were paid with punctuality, and frequently previous to maturity.—E. E., per *Thomas Brierley*, Accountant."

3023. Mr. *Clay*.] A report was printed in Dublin, in March 1837, dated from the bank-house, signed by William Hodges, which was a report made by the directors at the meeting held on the 20th of March?—It was.

3024. Were you a party to the drawing up of that report?—I was.

3025. You state, as one of the reasons that produced embarrassment, "the result of the inquiries of this Committee during its sittings last Session, disclosing matters theretofore considered by private, as well as by joint stock banks, secret and confidential; the amount of existing liabilities, contrasted with cash and general assets to an extent, and particularly not sought for or required from the Bank of England, all set forth in array." Can you state to the Committee in what part of the report there was any such statement made?—The understanding that I had upon it was upon reading the general evidence, which was published by order of the Committee; it was not intended, in the least degree, disrespectful to the Committee, but it referred to the general statement of the evidence as to the respective banks, how much cash they had in hand at a particular time, and what circulation they had at a particular time, and particularly, I would say, it was just before the difficulties of the Northern and Central Bank; and I have heard it stated, that the publication of the evidence of the quantity of cash in the Northern and Central Bank had shaken confidence very much in the public mind upon knowing the extent of the transactions in that bank.

3026. The Committee only desire you to observe, that whereas that paragraph would imply that there was a publication of the amount of existing liabilities contrasted with cash and general assets, there was no such publication whatever?—Except in the evidence which was published by order of the Committee.

3027. That made no statement of the assets and liabilities, did it?—In some cases it did. Of course the Committee will understand me when I say that, on

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the part of the board, they did not mean anything disrespectful to the Committee, for we immediately obeyed its injunctions.

3028. Among the causes assigned in that report for the embarrassments of the Agricultural and Commercial Bank, it is stated "The selfish opposition of older institutions." In what shape did that aggravate the difficulties of the bank?—That refers to the officers, of course, of the institutions; we judged from the acts of the officers when the difficulties were pressing. I could mention, for instance, one branch at Sligo of the Provincial Bank; the officer there issued orders to the different excise and stamp-officers that they should not take our notes, and the officers of the Bank of Ireland, during the run, directed, as I presume, from their having done so, their agents in Cork, and other places, to put a mark on the notes when they received them, and that excited a distrust in the public mind before the suspension, which greatly aggravated the pressure by the public.

3029. Was that selfish opposition of the Bank of Ireland and the Provincial Bank directed solely against your bank or against any other joint stock banks in Ireland?—We only had cognizance of it as regarded ourselves, and we do not accuse the institutions themselves, but their officers, perhaps, from not understanding the principle of the bank.

3030. Then it was a selfish opposition directed against the Agricultural Bank of Ireland?—I have understood that, during the run upon the National Bank, there was a mark put upon their notes, and in the town of Drogheda that they refused their notes in the common way of business, and put marks upon any one receiving them, so as to excite distrust.

3031. *Chairman.*] Did you know that of your own knowledge?—I did not, but I could name the persons in Sligo and different places.

3032. Mr. *Clay.*] Having that large amount of assets which you have stated, at the period of the suspension of payment, how is it that you were not enabled to meet the demand at the bank?—There were generally unconvertible bills, payable at the different branches in Ireland, and we could not re-discount those bills when the press came upon us; indeed, in Dublin at that time, even bankers' bills on London had been declined by the Bank of Ireland. We applied to the Bank of Ireland for an advance upon those local bills, to the amount of 20,000 *l.*, with treble the security, and they said that their own position and the general feeling of the money world at that time prevented their advancing. It is right to say, however, in reference to the Bank of Ireland, that we were not able to draw upon London at the time with the confidence of the bills being accepted, owing to our difficulties, and they would not, without a bill on London, entertain the proposition.

3033. Mr. *O'Connell.*] Had you got from the Northern and Central, money upon your local bills?—We had got that previously to the pressure; they had given us money upon the general account with them, without any bills, but then when the pressure came, they wrote over that they would wish some security upon the balance, and as it was not convenient for us to pay, we tendered them our local bills.

3034. Mr. *Clay.*] What was the amount of the demand on the bank, on the day that you thought right to suspend your payment?—About 25,000 *l.*

3035. And you had not the means of meeting that on that day?—We had not.

3036. What amount of cash had you?—It was in Dublin, where the notes were payable by courtesy, that the stoppage took place; we had in the morning 6,000 *l.* or 7,000 *l.*, but it was all exhausted, and we thought it advisable not to struggle on with our difficulties.

3037. And you had nothing upon which you could raise money but those bills, which you found could not be discounted?—Without time we could not, in fact they would not re-discount them in Dublin; but the Northern and Central Bank did get 43,000 *l.* upon the security of their bills, and they were collected by Latouche & Co., and out of 43,000 *l.* of local bills, Messrs. Latouche were punctually paid 35,000 *l.*, and which, after the pressure and inconvenience, they esteemed to be very good, that was their opinion as bankers.

3038. Of that amount of 900,000 *l.* held by the bank, what proportion has since been paid?—£.750,000.

3039. The other 150,000 *l.* have not been paid with fidelity?—They have not.

3040. But, inasmuch as those bills would all be endorsed by the bank, how was it

it that the credit of the bank, of which the ultimate solvency could not be doubtful, would not suffice in addition to the bills themselves to procure a supply of money?—The Bank of Ireland would in no case discount the local bills, discounted by other banks, and there was no other bank in Dublin, except one of recent formation, that is the Royal Bank, and they would not; we applied to them, they had a small capital of 200,000 *l.*, and they could not do it; but the Bank of Ireland never do discount local bills payable at the local branches in the country, as I understand.

3041. Had the directors of the Agricultural Bank made any attempt previously to the 14th of November, to provide funds for the demands that they foresaw to be impending?—We had.

3042. What was the nature of those attempts?—We applied to the Northern and Central Bank, whose directors were many of them shareholders with us, and whose difficulties we did not know at the time, and apprized them of our difficulties; but we owed them money at the time and they would give us no advance. We applied to the Liverpool Union Bank, and we tried the Commercial Bank in Scotland, but the pressure was so universal, that we could get no advance upon our local bills, and we could not draw upon London, for the London bankers, seeing the state of things, were more willing to contract their accommodation than to enlarge it; and we deemed that it was better for public credit not to attempt to carry on the bank in Dublin, but to state that we were able to pay all, as we have since done, and to keep the branches open in order to prevent the spread of the panic to other banks.

3043. Had you made, previously to the 14th of November, every attempt to procure money short of a call upon the proprietors?—Yes.

3044. You held a meeting on the 17th of October for the purpose of making a call upon the proprietors?—We did.

3045. Did you at that meeting state the urgent wants of the bank of money?—We did not, because we considered that where the pressure was impending the debates that might take place upon that would be accompanied with more danger than the probable benefit to arise from the accelerated payment of the call, inasmuch as in Ireland it is the habit of reporters to attend those meetings, and that statement from the directors would challenge observation by the shareholders, and while the issue of the bank was out would increase the panic.

3046. Whom was the call made upon in October?—There was a call upon the Irish shareholders, which, in the aggregate, would have produced 120,000 *l.* if paid.

3047. Upon how many shares, and how much each share?—Ten shillings is the rate of the call upon the Irish shares of 5 *l.*; 2 *l.* 10 *s.* upon the 10 *l.* shares; 5 *l.* upon 25 *l.*; we had three classes of shares.

3048. At what notice by your deed had the directors the power of calling up an instalment?—Three months on the British proprietors, and thirty days on the Irish.

3049. Did you make any recommendation at that meeting that the call should be obeyed within the period of thirty days?—We did not.

3050. Did you give privately to any of the shareholders a recommendation of that nature?—We did to Mr. Hardie and many of the wealthy proprietors; and, in point of fact, we had been endeavouring from the month of June preceding, and had addressed circulars privately to all our English shareholders, telling them that we did consider that a further payment of capital was necessary, and pressing upon them the necessity for their own benefit, and the public good, of paying it.

3051. What would have been the total amount of that instalment, called for in October, if paid up?—I think 157,000 *l.*

3052. What amount did you receive within the period of time at which the call was made?—£. 23,000.

3053. When was the call dated?—The call upon the British shareholders was the 4th of October 1836, and on the Irish the 20th of October 1836.

3054. You have stated that the instalment on the Irish shareholders would have amounted to 120,000 *l.*; what portion of that 120,000 *l.* was paid within 30 days from the 20th of October?—I do not think there was any; when I say any, it was so very small that I do not think it deserves to be mentioned.

3055. What has been the total amount received on that instalment?—£. 23,000.

3056. Does

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3056. Does that sum comprehend the money received from the British share holders as well as from the Irish?—It does.

3057. What has been the amount received respectively from each?—It is almost entirely from the Irish shareholders.

3058. Failing then in your attempt to procure money upon the credit of the bank, or upon the re-discount of bills, and failing equally in your attempt to procure money by instalment from your shareholders, you thought it right to suspend payment on the 14th of November?—Yes.

3059. Subsequently the Committee understand that a deputation came to London with a certain amount of bills?—Yes.

3060. At what period did that deputation come to London?—On the 16th of November, two days after the suspension.

3061. Did they bring with them any bills to be re-discounted?—They did, 150,000 *l.* of local bills.

3062. To whom did they apply for the purpose of procuring money on those bills?—From the correspondence I understood that they applied, for I was not one of the deputation, to the Bank of England.

3063. Did the Bank of England refuse to make an advance?—They did; they said, I believe, that, generally speaking, that species of advance was not entertained by them, but particularly upon Irish local bills; and when Mr. Pattison, the governor, had an interview with the deputation, he behaved with a great deal of courtesy, but the Bank of England totally declined making any advance.

3064. To what other parties was application made?—I understood that there was application made to several private bankers in London, but they declined in consequence of the state of the bank. We had expectation in October of a junction in London of very wealthy parties with the bank, and we considered that we should have got money in that way, for they had bound themselves by a minute to a large advance, and they would have joined the bank had it not been for the pressure; they were persons of the first wealth and consequence in London.

3065. *Chairman.*] In the account which has been delivered in to this Committee by the Agricultural and Commercial Bank, of the assets and liabilities, it appears that the existing liabilities are 38,599 *l.*, and the assets are 408,973 *l.*, showing a balance of 370,374 *l.*; as against that there is to be set the paid-up capital of the company; how much do you reckon that to be?—£. 330,000.

3066. How much do you anticipate out of those three last items in this account, bills of exchange, over-due bills, and other local securities, to realize?—My opinion is, from an accurate knowledge of the branches, that there may be probably a loss upon the entire assets of bills of from 30,000 *l.* to 50,000 *l.*, provided that the matter is conducted with ordinary care as to the persons that owe those bills. I have stated that to the English proprietors as my own individual opinion, and feel it my duty to estimate the value as far as it can be done, for parties would sometimes wish to undervalue where it is not required.

3067. Is it your opinion that there is any material loss of the paid-up capital of the company, on comparing that with the assets now available?—I do not think so; I think 50,000 *l.* would cover the entire loss, even arising from the suspension, and the outside of the probable bad debts; that is my opinion, decidedly. We have paid 800,000 *l.* in three months; and we have never had a law-suit during those proceedings against us; since that was paid we have had one with the engraver in London.

3068. Mr. *Clay.*] Do you mean to say that, supposing the bank not to renew the business, and its concerns to be finally wound up, the paid-up capital would all be returned to the shareholders, except the loss of from 30,000 *l.* to 50,000 *l.*?—I do not; I think if the concern were wound up, and were not a continuing one, there would probably be a very heavy loss; because in Ireland, when parties see a bank not going on, they take the means of avoiding and not paying all their engagements. I speak of the general class of traders; and I think if the business was violently wound up there would be a serious loss.

3069. To what extent?—I am not prepared to say; but it would be a great deal more, indeed, probably more than double; but there has no such loss resulted at present.

3070. Then your supposition that the amount of loss may not exceed from 30,000 *l.* to 50,000 *l.* is in the case of the bank going on with business, and therefore

fore being enabled to recover itself the debts that are due?—Yes; the North of England Bank is now resuming. *James Dwyer*, Esq. 19 May 1837.

3071. *Chairman.*] Do you contemplate resuming business?—Yes, we do; we are going to close 20 branches.

3072. Mr. *Hamilton.*] What means have you of ascertaining the feeling of the majority of the shareholders?—The majority of the shareholders have signified their opinions to us. There is one district, which is Belfast, from having native banks of their own, they never pulled well with our bank; and we have offered the shareholders in the north, at a meeting on the 17th, to appoint mutual trustees, and to allow every dissentient to withdraw, at a rateable valuation of their shares; afterwards that was rejected; and now that they have depreciated the concern, by publications, in the general opinion, we consider that the only thing that they would be entitled to is whatever is the marketable value at which, under the agreement, they may resign their shares and get rid of their responsibility.

3073. *Chairman.*] You say "marketable value;" are the shares saleable now?—Yes; but in my opinion, at a very unnecessary depreciation.

3074. At what depreciation?—They are saleable by persons in the north of Ireland, who are apprehensive of liability, at the depreciation of three-fourths. Whenever a concern stops, and the parties do not agree, some parties, to get out of the concern, will do that; but I have never bought or sold a share in the company since my connexion with it; and I consider that the bank, with the reduced number of branches to the amount of 20, and with a good general manager, would be very useful to Ireland; and it is solely on public grounds that I have connected myself with it.

3075. Have you at present any London correspondent?—We have, Mr. Harris, and he will be very happy, if the Committee deem it right to examine him, to give any information.

3076. But you have ceased all correspondence with the various banking houses in London?—Yes, except that they are willing to come forward and testify our honourable payment of our engagements in every point of view.

Martis, 23° die Maii, 1837.

MEMBERS PRESENT.

Mr. Baring.	Mr. Jephson.
Mr. O'Connell.	Mr. Morrison.
Sir T. Fremantle, Bart.	Mr. Pattison.
Mr. Hamilton.	Sir John Wrottesley, Bart.

SIR JOHN WROTTESLEY, BART. IN THE CHAIR.

James Dwyer, Esq. called in; and further Examined:

3077. *Chairman.*] THE Committee understand that you wish to make some explanation of your previous evidence?—I do. Upon the first day's examination there was a question put to me by an honourable Member as to the number of persons that were in gaol at the suit of the bank: I answered, as my recollection was, that I believed there were not five persons in gaol upon the entire establishment; but, as it was only upon recollection, I deemed it right, immediately after leaving the Committee, to write to Dublin to ascertain the fact, and also to ask as to a question that had been put by another honourable Member as to the number of declarations filed at the suit of the bank; to both of which I received answers from the law agent of the bank, and it so far corroborated the evidence, that he states that only three persons were in gaol at the suit of the bank, he being the general law agent; but in the provinces, particularly in Mallow, of which I spoke, the answer was, that there were seven individuals in gaol, and I have got their names here, and also the reasons, which explain the fact that they were not put into gaol in a light or loose way, but that they had actually been brought up before the Insolvent Court, and three *James Dwyer*, Esq. 23 May 1837.

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or four were remanded for fraud: I mention that to prove that the bank, in the administration of its duty, did not unnecessarily press upon a deserving person. As to declarations, as it bears upon the question put by an honourable Member, I will take the liberty of reading from Messrs. Bailey, Wallace & Sons:—"Dear Sir; We have been favoured with your letter of the 13th inst.; and in reply to your inquiries, beg leave to state, that upon referring to our books, we find that there were only filed by us 36 declarations, to which your name appeared as counsel, since the formation of the Agricultural and Commercial Bank; and that the number of persons at present in custody at the suit of said bank, under direct writs issued by us, amounts to three." That was a letter received by me from the general law agents, and as a question was put as to the general administration of the affairs of the bank, I produce a letter from them to me, to show that no improper use was made of my power as a director.

[*The Witness delivered in the letter, which was read, as follows:*]

12, Great George's-street, North,
17 April 1837.

My Dear Sir,

HAVING been informed that it has been publicly stated that you have made use of your position, as a member of the consulting committee of the Agricultural and Commercial Bank of Ireland, much to your advantage as a barrister, we think it due to you to say, that such allegation is altogether unfounded. On the contrary, we are quite certain that the time you have devoted to the affairs of the Agricultural and Commercial Bank has very materially and essentially interfered with and injured you in your professional pursuits.

It is true you have received instructions from time to time to draw declarations, and to advise on certain other matters; but some were sent to you either merely because you are a practising barrister connected with the company, or because sometimes your knowledge of particular circumstances rendered it more advisable to consult you than any other barrister at the time; but we think it right to say, that in general the bank has been advised by the Solicitor-general, the Right Honourable Mr. Blackburne, Mr. Brooke, Mr. Holmes, &c.; and that you have on many occasions declined acting as counsel for the company, and requested other gentlemen to be consulted; and we beg also to state that you have on very many occasions given the bank the advantage of your professional experience gratuitously; and that you have uniformly, both as a member of the board, as far as we know, and as a barrister, endeavoured to prevent proceedings being taken, even inadvertently, against insolvent parties.

We are, my dear Sir, yours very truly,
William Bailey, Wallace & Sons,
Solicitors to the Agricultural and Commercial Bank of Ireland.

To James Dwyer, Esq.

3078. Mr. *Jephson.*] Have you returns from any other places besides Mallow; for if you were incorrect as to one branch, you may be incorrect as to another?—Yes; Messrs. Bailey, Wallace & Sons are the general law agents for the establishment, and mostly sue for all debts in the superior courts; and when I wrote I directed a general letter to be written to every branch, but particularly to Mallow; I received the letter from Bailey, Wallace & Sons, the general solicitors, as to Mallow only.

3079. Then at the other branches there may be other persons in gaol whom you have not made any mention of in your previous evidence?—There may.

3080. Is it not a fact that your general law agents in Dublin, and that the board of management in Dublin, were in total ignorance of those persons being incarcerated at Mallow?—I believe it was; at least I never knew of it, for our direction is never unnecessarily to put any one into gaol.

3081. Did not your own letter, that you first received from your agent, state that there were only three persons in gaol?—No, I think not, according to my recollection; we were in ignorance as to Mallow; and I always said that till the late manager had been displaced, Mallow was a very badly administered branch; that was my opinion. As to another matter, I have been asked by an honourable Member as to accounting for the circumstance that the notes which appeared to be issued on the 1st of October 1836 were 420,000 *l.*, and how it happened that 523,000 *l.* were retired after the suspension; and arguing from that that a proper or accurate registry of the notes was not kept. I wrote over to the accountant for an explanation upon this head; and his explanation is as follows:—"The difference in the notes, 420,000 *l.*, as noticed in the Report, and the 523,000 *l.* retired, arose from the re-issue of notes to the branches, the issue from those branches and the head office, where they had been retired, and were afterwards put into circulation;" and I furnished, on the last day,

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an authentic list from the circulation-book, showing that there had been an increase of notes issued from the 1st of October, up to which time the account had been made, thereby showing that the registry was not of that incomplete nature that my previous answer might lead the Committee to suppose.

3082. *Chairman.*] Do you mean to state that the registry was complete?—No; my own private opinion is, that it was not as complete as it ought to be; but in the hurry incident upon the run, I do believe that confusion in the books was a matter that it was very difficult to guard against, from the pressure that there was about the time that the run came on.

3083. Are you sure that that confusion did not exist some time previous to the run upon the bank?—Indeed I think the bank had been extending itself too far under considerable pressure for money, and the manager of the bank had several times to be sent to London, away from his duties, to see our bankers and agents; and I do believe that the books were not in that correct and satisfactory state that in a banking establishment is so desirable.

3084. Mr. *Hamilton.*] There had been a previous run, had there not?—There had; there have been four runs upon the establishment: the opposition given at an early stage by some of the promoters or agents of the National Bank of Ireland to the institution of this company occasioned a run in July 1835. The agents of the National Bank having pressed unfairly, as was reported to us, upon us for gold, there was a run at that time upon the branches of the establishment in the first year of its existence; and, like the run upon the Provincial Bank in 1826, was very nearly extinguishing it.

3085. Did that run create any confusion in the accounts?—Very great, for it was in the early stage of the concern, and the bank was looked upon, at least by myself, at first, as merely experimental, more so than simply from the nature of the opposition that was given to it in its early stage, and the manager was taken away and sent over to the Commercial Bank in Scotland, and to the Northern and Central Bank in England, to enable us to get means to meet that run. Irregularities may have then occurred in entries, although I believe the stock to have been correct. That run was met, and the committee received addresses signed by Lord Kenmare, Lord Headley, and the gentry of the different counties, expressive of satisfaction of the manner in which that pressure had been met in 1835.

3086. Were any steps taken to correct the confusion of the accounts which took place in consequence of that run?—Yes; the fact was, that Mr. Dixon, who was a member of our body, was a gentleman not fond of expenses, quite the contrary; and we, looking upon the bank as experimental in some measure, did not wish at that time to encumber it with the expense of a head manager. The gentleman we had is now acting as secretary, and he attended to the accounts and to the details; and in his absence Mr. Mooney chiefly acted, as I recollect; but from the great pressure which arose at that time, the accounts, in my opinion, were not as satisfactorily arranged as they ought to be. Then there was a subsequent run occasioned by some of our provincial directors interfering at the Castlebar election. They voted in some way, and, as was the case with the Provincial Bank in 1836, one of whose directors voted, there was a run upon the bank in consequence; that also occasioned a very great exertion to meet the demands. Then there was the run which has recently taken place; and I mention these as accounting in some measure for what otherwise would be in a banking establishment not to be palliated or justified.

3087. *Chairman.*] Were the books regularly posted?—I believe they were, except in 1835; there was a very great confusion occasioned, and that confusion was, in my opinion, never properly remedied.

3088. Can you state positively to what period the books were posted?—I believe the general books at present are posted up to the present time.

3089. Did you ever see them?—I cannot say that I did, for I generally attended to answer local information in the board-room, as well as my avocations would permit, and to superintend the correspondence.

3090. Have you any minute-book of the transactions of the board?—We have.

3091. Where is that?—It is in the possession of the secretary or minute-clerk, Mr. Raper.

3092. Can you produce it?—It can be produced.

3093. Did Mr. Mitchell ever make any remonstrance as to the state in

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which the books were?—I have heard Mr. Mitchell say, that the books were not delivered up to him by the antecedent gentleman in that state which was satisfactory: the latter justified himself or explained that he was obliged to go to Scotland: the subsequent accountant was Mr. M'Kenzie, a Scotch gentleman.

3094. Have you any other correction to make in your evidence?—On the first day of my examination I was asked by the Chairman, whether Mr. Stephen Egan, whose name appeared in the deed of settlement, had been a shareholder or paid upon his shares: I believe I stated, as my recollection was, that he had been a shareholder, but I was not aware of his having paid. I have since, upon recollection, ascertained that he did pay the preliminary deposit, and was a shareholder for 300 shares, but that he received a letter from a gentleman who was very prominent in the National Bank of Ireland, and he stated then that he could not refuse to leave our bank and join his, and that was the cause of his joining the other bank. I was asked by the Chairman as to two gentlemen who were on the direction, of the names of Smith and Scanlan, whether the bills which they had passed for their stock were not included amongst the assets of the bank: I stated, as my recollection then was, that I believed they were; since which time I have written over to the accountant to make a particular inquiry, and he has written to me that they were not included among the assets of the bank, being considered valueless, as I explained on the last day, and that the bills were cancelled, and that the stock they purchased was forfeited, and those gentlemen ceased to be directors of the company; that was in the early stage, in 1835. I was asked on the last day of the Committee meeting, if any inquiries were made by myself or any other members of the board, as to the Castlebar item, which appears in the auditors' Reports of 21,000 *l.*, bills that did not appear to be credited at that branch, or whether any correspondence had taken place. I did not immediately recollect as to how that was, but since that I have recollected that the facts were, that the local director, Mr. Charles Malley, was in town on the day of the meeting, the 17th of April, and the board conferred with him upon the subject of that discrepancy in the account, and inquired into it. The explanation was, that his accountant was ill of a fever, which delayed the balance-sheet, and he did not wish to incur the expense of a new accountant in the then state of the bank, and that having received an order a day after the suspension for the local bills, which he sent up, a corresponding credit was not given to him at the time in the books at the head office, Mr. Jones, one of the directors, being in such a hurry to go to London with the local bills, to endeavour to get an advance from the Bank of England, as he was told that not a moment was to be lost to prevent the spread of panic: this was at the time of the suspension, and the regular entry was not made till his return. There is another point which I am desirous to explain, as to the repurchased stock, which was mentioned in the auditors' Report. The Chairman asked me, under what circumstances the stock reverted, and whether we purchased our own stock; I said not, and generally stated how it was. I have since been recollecting whether we had taken any stock from any proprietor that I did not recollect at the time; and there have been three or four cases which may be looked upon as exceptions to the general rule, but still may account for the fact, in the Committee's mind, of a re-purchase of the stock. Mr. Dixon, who was a director in November 1835, and had transferred his shares at that time, and ceased to be a director, through, as I conceive, an excessive apprehension on his mind as to a bank of issue, transferred his shares to a gentleman, I think, of the name of Dunn, whom he represented to us to be a solvent and respectable individual: we had remonstrated with Mr. Dixon, being a director of the company, that transferring his shares at the moment when the bank was pressed upon might endanger the property of the shareholders, or generate something like alarm, if there was not something like a corresponding explanation given by him; but he said that his feeling of apprehension was such, that he must insist upon transferring his shares. In consequence of which the board of directors told him, that if the bank became prosperous afterwards, and if he wished to come back again, as Mr. Tilley did, who also transferred his shares and afterwards came back, and is now a director; that if he did wish to come back, in consequence of the sale of his shares being calculated to excite alarm, we should feel it our duty to refuse his becoming a shareholder again. The board requested of him to reconsider his intention: he said he never would nor had

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any intention of coming back; for that a bank of issue, to his mind, and that of his family, was so involved in peril from the unlimited liability of it, that he would not wish to become a shareholder again; in consequence of which the board took back his stock from him, and gave him the full amount that he had paid. That stock is included in the sum of 43,000 *l.*, mentioned in the auditors' Report.

3095. What was the market price of shares at the time this transfer took place?—The Irish shares were at a premium of 25 per cent. It was in the month of April or May 1836; and that premium had been insisted to be put upon them by Mr. Hardie, of Manchester. I was always myself against affixing any premium to the stock.

3096. Did you pay any premium to Mr. Dixon, upon the transfer of the shares?—I think he got the premium of 25 per cent.; 300 *l.* stock was all the stock he held, and I think he got 25 per cent. I deem it right, having a recollection of the fact, to mention it to the Committee.

3097. Then you mean to say, that for 300 *l.* stock, he got from the bank 375 *l.*?—Yes; 315 *l.* and 25 per cent., what they were selling at.

3098. Mr. *Jephson.*] Then must not the bank, in point of fact, have absolutely lost 25 per cent. upon 300 *l.* by the transaction, inasmuch as those shares are now at a discount?—I think so; but Mr. Dixon remonstrated upon the hardship of not allowing him to have the stock transferred from him, that he might not be the holder of shares; and from the excitement he laboured under, the board then conceived that he might create such alarm in the public mind by his excited manner, as to do a damage infinitely greater to the bank than the sacrifice which was made. I mention the fact just as it is; it is not for me to draw an inference. I will next mention the case of Mr. Beale, of Mount Mellick; since the suspension, there were taken from him 700 shares, at par, in payment of a debt that he owed the bank.

3099. *Chairman.*] Were the shares at a discount at the time?—They were.

3100. At what?—They were selling probably for 12 *s.* 6 *d.*, for which, 20 *s.* were paid; but I will mention the circumstances under which they were taken: he came to the board, and first he said that he had an original engagement, or some claim upon the board to have this done for him, having acted as their agent for a long time without payment; but he said, "Gentlemen, as the consideration of your doing it, I will take with it a doubtful debt that is due, by * * * for 600 *l.*, and that is a debt that you know yourselves is doubtful:" as to that, we rather thought it was not doubtful, but that we could not exactly come at it, for we tried it before, but upon debate it was unanimously done by the board; there was no difference upon the subject: in some cases some member of the board has dissented from his colleagues, but upon this occasion we were unanimous, from the circumstance appearing so manifestly advantageous, the 600 *l.* being a doubtful debt or inapproachable, and upon his taking that debt as part of it, the board agreed to take back 700 shares.

3101. Then they paid 100 *l.* in money, and gave him up this debt?—Exactly so. The next case was a Mr. Thomas Bell, junior, of Belfast.

3102. Was he a director?—He was, and he is now; and when the suspension came, and it was our duty to inquire, of course, into the state of all the branches, and into the debts due, and so on, upon inquiry into the state of the account, we found that Mr. Bell, a director, had over-drawn his account, to the amount, I think, of about 1,600 *l.*, and that Mr. Sadler, one of the gentlemen at present adverse to the board, had over-drawn his account about 1,100 *l.*

3103. Is he a director?—He is a member of the committee of audit; and deeming these gentlemen perfectly solvent, the bank wanting to pay their notes and debts, immediately required them to pay these sums up, and a correspondence took place upon this subject; and Mr. Bell represented that he had taken 730 of his shares (he had, I think, taken 1,150) subsequently to the 17th April 1836, and in consequence, there was a resolution then passed at a general meeting, that any gentleman that took stock after the 17th April, should be allowed it in payment, or in lieu of the third instalment which was contemplated; and Mr. Bell said that he would pay his third instalment upon his remaining 450 shares, and that he would pay the balance of his cash credit, which was 1,600 *l.* (but we deducted 700 *l.*), which at that time was a very great object; from our trying to meet all the notes and debts, to the amount of nearly 800,000 *l.*, we were anxious to get all the cash we could, and as Mr. Bell agreed

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to pay the third instalment, which was disputed by many of the other partners, on the remainder of his stock, and as under the original engagement the board considered that he had a claim, and also his having forfeited his shares in the Ulster bank on joining us, they took back the 700 shares, he paying in cash the balance of his over-drawn account; that is the nature of that transaction.

3104. Mr. *Jephson.*] At what price were the shares at that time?—At that time they were generally rated at 15 *s.*; that is, a discount of one-fourth.

3105. What did you allow him?—We allowed him par, deducting dividend and deducting outfit.

3106. That was a loss to the bank?—It was; and it was done with a view to secure the cash credit which Mr. Bell owed to us, for he gave us an intimation, not exactly in words, but he said that he was greatly inconvenienced by his being a director in the bank, and investing his property in it, when it had stopped business; and he intimated to us in fact, or the inference that I drew was, that he might probably be pushed, or that we might lose the debt, or something of that kind.

3107. Was it the probable insecurity of Mr. Bell's debt that made you agree to that transaction, or any other cause?—That was on my mind, and influenced me as an individual member to a very great extent.

3108. *Chairman.*] What amount did he pay you in money?—£. 900 he paid us in cash.

3109. And the remaining 700 *l.* you took in shares at par?—We did; and he paid his third instalment on 450 shares, which was a disputed point with many of the other shareholders. Then there was the case of Mr. Benjamin Sadler, the chairman of the committee of audit; he owed 1,100 *l.* of an over-drawn account, and when we called upon him to pay it, we considered him as a wealthy man, he belonging to the firm of Sadler, Fenton & Co.: he said he had a right to an advance upon stock; we, on the contrary, said there was no such an agreement with the shareholders, and it was entirely at the discretion of the board, and that we had never known of an advance having been given him, and it was not by the authority of the board, and we insisted upon his paying it up, which he did by giving us bills at, I think, two, three and four months' date, payable to the manager, in Belfast.

3110. Mr. *Jephson.*] Have they been paid?—They have.

3111. *Chairman.*] He retains his shares still, does he?—He does. There were two directors at the branch of Mallow, Messrs. Williamson and Jones, and they took their stock at Mallow, upon the specific understanding, as was stated to us, and as was stated also to our inspector, that they were to remain local directors of the branch, at a salary of 50 guineas a year each, or an allowance for their attendance. It did appear to us from the state of Mallow, . . . and upon sending a new manager there, he wrote up to us that he could altogether dispense with the directors, and save the expense of 100 guineas a year to the bank; upon which these gentlemen stated that they conceived that if they were dispensed with, they had a right to get back the money which they had paid, and the board did consider that there was, from the testimony of their own officer, a pledge given them that they should be directors if they held the shares, and that if they were removed, they had a right to get them back, as in the case of a manager who is dispensed with; this was prior to the 14th November; therefore we did, in that instance, give back Messrs. Williamson and Jones the money.

3112. What was the number of shares?—Six hundred shares; 300 each.

3113. At par?—At par; they were then at par.

3114. Was the market price at par at that time?—It was; they were not much in sale; the shares were at par; it was in the month of August or October. There was also the case of Mr. Cassels, a manager, who passed his bill for his shares to pay it by instalments out of his salary. Then there was a transfer of shares with one of our present directors, though not included in the 43,000 *l.*, but subsequently, which I think it right to state to the Committee. This is the case of Mr. Taylor, who is one of our directors at present, and there were 450 shares (he held 1,000 or 1,200) taken back from him at par. He stated as an inducement, or as a reason which determined the board upon it, that in April 1836, he procured a Mr. Hime to take shares from him to the amount of 500, to serve the bank, and that Mr. Hime was suing him at law for the amount, and that he (Mr. Taylor) felt that he should not be bound, and that the board should take them back, as he did it to serve the bank, and

as the debate, or the bringing it before the public, in his opinion, would be injurious to the establishment; and the board did, upon consideration of the circumstances connected with Mr. Hime's transaction, and deeming that Mr. Hime was rather led by Mr. Taylor, considering him our officer, to take the shares, take back from Mr. Taylor the shares, presuming that he would settle them with Mr. Hime.

3115. What was the number?—Four hundred and fifty shares, 450 *l.*

3116. At what?—At par.

3117. At that time were they worth anything in the market?—They were; probably 12 *s.* 6 *d.* was the last price given; they were then worth that.

3118. Mr. *Hamilton.*] What was the number of Mr. Hime's shares?—Five hundred.

3119. How came the number to be 450?—That I cannot recollect.

3120. *Chairman.*] This was, you state, subsequent to the suspension; can you recollect the date?—I think the 1st or 2d of March 1837.

3121. Do you mean positively to state that the shares in the month of March 1837, were worth 12 *s.* 6 *d.*?—I deem them, intrinsically, worth more than 15 *s.*; that is my own impression.

3122. Do you know of any actual *bonâ fide* sales, even at 12 *s.*, within these two last months?—I know of a *bonâ fide* sale of shares to Mr. Cordukes, at Belfast, at 10 *s.* per share, which was considered a great bargain; I saw the transaction myself.

3123. But you do not personally know, and will not vouch for any transaction within the last two months in which shares have sold for above 10 *s.* a share?—I do not. The Chairman asked me on the last day as to the exertions which the board had made to get means to meet the pecuniary difficulties which we were in; and I presume that the question inferred that we had not foreseen it; but I wish to state the matter of fact. I will take the liberty of handing in the Report which the board presented to the proprietors on the 20th of March last, and which states all the facts with regard to the suspension, and which states the efforts that we made to procure funds to meet it. In September, the present Lord Mayor of Dublin, myself, Mr. Jones, and Mr. Chambers, obtained 30,000 *l.* from the Royal Bank, on our personal security for its payment, together with a collateral security of local bills deposited; and we made every effort that was possible with the Bank of Ireland to induce them to give us an advance, but they even refused, during the pressure, to take Bank of England notes, except upon charging us half per cent. commission, their usual charge in times not of pressure being usually a quarter per cent; we offered them quantities of English notes several times, but they charged us half per cent; we sent them, in the pressure, a docket of good London bankers' bills, to the amount of 7,000 *l.*, which they kept from 11 to half past 1 and returned, saying that they declined them; we then presented them bills of the Commercial Bank of Scotland on Jones Lloyd & Co. for 3,000 *l.*, which they also declined; we then waited upon the Chancellor of the Exchequer; he was then in Dublin, just before November, and we stated to him the circumstances of the bank, and respectfully requested of him to interfere with the Bank of Ireland (as we had quite a sufficiency of assets, as the facts have proved, for all our engagements) to give us an advance of 50,000 *l.* upon three times the security. The Chancellor of the Exchequer received us with very great kindness and courtesy, but stated, as I recollect, that he did not consider that the interference of the Chancellor of the Exchequer between the Bank of Ireland and a joint stock bank would serve the joint stock bank, but rather that it might be injurious to both, as leading to expectations in other quarters which on other occasions might encourage improvident dealing; so finding that the Chancellor of the Exchequer had these sentiments, we of course discontinued any attempt at getting his interference; and perhaps the Committee will allow me to state, as it bears upon the dealing of the Bank of Ireland, that upon the 20th of December we made out the docket which I have in my hand, of 60,502 *l.*, bills at two months, and requested from the Bank of Ireland an advance of from 20,000 *l.* to 40,000 *l.*, and they declined.

3124. Were those bills to be drawn by yourself?—No, they were bills that were assets of the bank; and we offered a collateral guarantee of any kind that they pleased to ask for.

3125. Did you offer a personal guarantee?—We did; we offered every security that was in our power to grant, being that of the whole company.

 3126. Mr. *Pattison.*]

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3126. Mr. *Pattison.*] What was the reason for their objecting to your bills?—Those bills were local bills.

3127. Promissory notes from one party to another?—Yes.

3128. Not commercial paper?—They were commercial paper, but not payable in Dublin.

3129. Representing commercial transactions?—Yes. I was also asked, on the last day's examination, what evidence there was that warranted the board of directors in stating in their Report that the older institutions, the Provincial Bank in particular, had pressed unfairly upon our bank during its time of pressure; and, as I have since seen the Provincial Bank Report, which negatives all the statements that we made, that it did unfairly press upon us, perhaps it would be right for me, in reply to the honourable Member who put the question, to state two or three of the facts, to show that the Provincial Bank did unfairly press upon the Agricultural Bank. The first part of the Report, which I beg most distinctly to negative, states that two banks, our bank and another, forced business, and that there was an improvident system of discount. Now, as far as has come to the knowledge of the board of directors, I most emphatically do say, that our efforts have been, from the origin of the bank, to my recollection, to repress the demand for discount which was put forward by parties, and to restrict it as much as was in our power; and, excepting in one case which has been mentioned, of an improvident use of discounts, I am not aware of any; and if that case had come to our knowledge we should most distinctly have checked it at once; and the abuse was not so much in amount in the case of Mallow as in the class of accommodation which was given: therefore I do most distinctly take the liberty of negativing that statement by the Provincial Bank, that the other banks in Ireland, to my knowledge (I speak of the bank with which I am connected) did force business in discounts, or improvidently put their notes into circulation; I distinctly aver that all their efforts, as far as came to my knowledge, were the contrary.

3130. Mr. *Jephson.*] Will you state to the Committee the form of instructions to the local agents?—The local agent was directed to discount under the advice of his director, and not, in the small branches, to exceed 1,000*l.* or 1,500*l.* per week; and it was required that the parties for whom they discounted should be solvent parties.

3131. Are you aware of persons in the situation of labourers, who are liable to be turned off at a moment's notice, getting large discounts?—I am not; I am aware of small farmers getting discounts, but only where they were certified to be of good character, and persons that would pay. Such a system, we conceived, tended to improve their habits, and would be useful to the bank.

3132. Mr. *O'Connell.*] In limiting them to 1,000*l.* a week, that does not appear to have reference to the banking means?—Yes; if we did not consider that we could afford 1,000*l.* a week, of course we would not have given the agent an authority to do it to that extent.

3133. In sending out those instructions you did not do it upon an exact calculation of your banking means?—We looked at the size of the branch, and at what we understood from local information to be the average demand for discount.

3134. You had reference rather to the solvency of the person for whom the discount was to be made than to any precise calculation of your banking means, taking altogether?—Probably that was so.

3135. In the Report of the Provincial Bank that you alluded to, did you observe that they state that they had done nothing to precipitate your suspension of payments?—I did; and if the Committee will allow me I will state why we consider that they did. For instance, in the month of June 1836 there was a manager of ours in the north of Ireland, of the name of Gault, whom we considered not a proper man; we removed him: but being in the north of Ireland, they think that they have a prerogative there; they have their native banks, and they do not obey the central board, and he would not obey the committee. The committee considered, that on public grounds, as well as for the sake of their private rights, it was their duty to insist upon it, and they sent and removed him by notice in the papers; in consequence of which he shut the banking-house in the middle of business in June 1836, and there was a violent panic. Although it was well known that it was a mere matter that was casual, the closing of the bank by this man (for we opened immediately the opposite house, and sent down 15,000 sovereigns, considering that it was our duty not

to

to allow such an example for the banking community), Mr. Millar, a manager of the Provincial Bank at Moneymore, stated the day after, in the presence of a bench of magistrates, that the Agricultural Bank had stopped payment; and it was perfectly notorious that this was the mere act of a rebellious officer: that was telegraphed through their branches in Ireland; and that very fact put us to the inconvenience of sending down upwards of 30,000 or 40,000 sovereigns, as matter of precaution, to several branches, the notes in Ireland being payable at the respective branches of issue, from the panic that it excited, for it excited in that locality a very brisk run upon the establishment.

3136. Mr. *Jephson.*] Was not the run excited by the closing of the branch, rather than by the statement of Mr. Millar?—I think not, for every one knew that it was a local matter; and we had sent down such a supply, that no one had the slightest apprehension. Mr. Millar was remonstrated with, and he did not give a satisfactory excuse. That was the first occasion of a positive act by a manager of the Provincial Bank, as I recollect. The next was the act of Mr. Marshall, the secretary, who stated, when the bank was in full operation, to Mr. Allen Good, a clerk, that the Agricultural Bank must or would stop payment; this was two months before. He might have the gift of prophecy, or think that it would be so; but still, we say that the manager of another bank giving that out, *ex cathedrâ*, as it were, was tantamount to causing that very consequence that took place; and Mr. Mahony, the solicitor of the Provincial Bank, stated, in my hearing, that the publishing of the balance-sheet on the 17th of October with 900,000 *l.* bills and 140,000 *l.* in cash, was quite conclusive that the bank could not stand; and that is one argument as to the prudence of minute publicity of the accounts. Whether it is judicious or not to put forward all the items of a banker's balance-sheet deserves consideration; we gave it most scrupulously at the time, considering that the tenor of the report was favourable, and indeed I do think fair publicity is proper and right.

3137. *Chairman.*] Were your books at that time in such a state as to enable you to make a correct account of that?—Yes, I believe so; the accountant stated at that time, there was some old balance which, as there was not time to examine, we directed him, on conversation with the manager, to transfer, believing the stock correct. Again, at the period of this business in the north of Ireland, the managers of the Provincial Bank, both at Londonderry and at Dungannon and at Gavan, posted up in the office the letters which were circulated by our manager, who had broken his duty and had shut the bank, and which was highly injurious to the credit of the establishment. Those managers put them up in the office and left them on the counter, and circulated them in every possible way throughout the country.

3138. Are you certain that they were aware at that period, that the stoppage was only the act of the manager?—I am sure, from all the information I have gleaned, that they were perfectly aware of it. I do not accuse the board in London by any means; I think they are above it, but I do most distinctly say, that their officers acted with a most injudicious zeal, to say the very least of it. Through their branches their manner of acting was this: when we commenced business, and for a long time after, they would not receive our notes in lodgment at all. We wrote to the board in London, and they said it was very proper, as our deed was not fully signed. We said that it was signed by such a number that it must be a sufficient guarantee, independently of the registration, and at that time we had about 300,000 *l.* paid-up capital; but they would give us no answer whether they would take them or not; in consequence of which we were left in some doubt, and dependent upon the temper of their managers. In some towns they would take our notes in lodgment, and in other towns they would take nothing but exchanges in gold, which left us under an uncertainty in knowing on what branches of the establishment they would press, or at what places they would reject them.

3139. In what manner did you conduct the exchanges; how did you pay the balances upon them?—We always offered to pay by letters on Dublin, and in some places, where we had branches that they approved, they would take those letters upon Dublin; but in other places, according to the temper of the manager, and not the orders of the superior, he would take nothing but payment in gold, which left us under the uncertainty that we did not know on what specific point they would come at a specific time.

3140. You required gold from them also?—Decidedly, when they refused; but we

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we wrote respectful letters to them. The next case was at the time of the last run in October, in which I can trace a distinct wish, in my opinion, to press down the Agricultural Bank and extinguish it. That was the case of their causing, when the run first occurred, every one lodging our notes in any of the branches to mark them; they would not take them unless their name was written across them, which was understood to mean that the guarantee of the person tendering the note was superior to the guarantee of the bank.

3141. Mr. *O'Connell.*] They requiring the party tendering the note to consider himself liable?—Yes, he was liable for so many days; but that created very great alarm indeed, and that was long before we really considered that there was any occasion for alarm. Then again, the notaries of the Provincial Bank, during the pressure, had an order upon us for 3,000 *l.* from the Northern Banking Company. They called in the morning upon us, as we were on friendly terms apparently; and I believe I myself met one of the partners, or Mr. Mitchell, and they were asked, if it would make any difference if that order was presented the next day: they said not the slightest, that it was quite the same thing to them; they held at the time of ours upwards of 3000 *l.* in Government or Bank Stock; and yet that very night, by post, they being the notaries of the Provincial Bank, and intimately connected with the bank as their officers, wrote down to the Northern Bank that we had refused payment of our drafts, the consequence of which was greatly to accelerate the pressure that was upon us; and I believe it was so reported to the branches of the Provincial Bank; and then upon the specific day that the bank stopped, which was a Monday, they presented notes amounting to 15,000 *l.* at our office in Dublin, where notes were only payable in courtesy. They appeared as if they had collected the notes at all the branches and sent them up on the Sunday to present on the following day. It was a thing quite unusual to present such a quantity as 15,000 *l.*; but they presented on the Monday morning notes of one branch alone, Limerick, amounting to 5,700 *l.*, which they must have been collecting for a long time. They presented them at two o'clock in the day; and I do say that they must have done that purposely, knowing, through their agents, the injury that had been done to us by that report about their draft, by their writing to all their branches that we had refused payment of it, which was not exactly true; and besides which, Mr. Marshall had publicly declared that the bank must be extinguished, as mentioned to us.

3142. *Chairman.*] Had you not been in the habit of paying notes up to that time in Dublin?—Decidedly.

3143. Do you consider that under those circumstances it is probable that the Provincial Bank retained your notes for any time in their hands?—I think they retained them to present in Dublin instead of at the branches.

3144. Is it not more reasonable to suppose that suspicions of your credit had induced persons to bring them in, in order to obtain payment for them?—No; because they might have brought them in to the branches in the country; why send them to Dublin, where we were pressed, the run at the branches having pretty much subsided? That is the inference that I draw, and when coupled with the declaration of Mr. Marshall, and the declaration of the solicitor of the Provincial Bank, I infer that there was a decided wish to extinguish competition by unfair means; both the Bank of Ireland and the Provincial Bank, in the spring of 1836, reduced the rate of discount on Irish and English bills so low as not to be remunerative, which appeared to be levelled at the joint stock banks; and I do think that we never did exercise unfair means on our part.

3145. Are you quite certain that you have stated all the transactions relative to taking back shares from the directors?—I have to the fullest of my recollection.

3146. Mr. *Jephson.*] Are you aware of the directors of any of your branches having employed agents for the circulation of your notes?—I am not.

3147. That is, having employed agents to collect the notes of other banks, and giving them in exchange for yours, have you ever known that?—No: one or two of our most zealous agents have sometimes written up to us, stating that they have obtained a great many notes of such a bank in exchange for ours. That has happened in one or two instances of over-zealous men, and, as far as my knowledge goes, we always discouraged it, except it was a natural exchange of a man coming in and exchanging a note of another bank. I was

asked

asked respecting over-due bills and cash credits in the province of Ulster; I have a return of over-due bills, 12,700 *l.*; of cash credits, hazardous, 9,500 *l.*

3148. At what period?—At the present moment; I wrote over to Ireland for that return.

3149. Mr. *Hamilton.*] Have you an account of the amount of liabilities and assets at each branch up to the 25th of February last?—I have. [*The Witness delivered in the same: vide Appendix.*] The honourable Member for Kilkenny, on the last day, asked me a question as to the notes in circulation at present, as contrasted with the notes in circulation on the 1st of October; and I have received a return from Dublin since, showing that on the 13th of May the utmost of our notes outstanding, not demanded, was 734 *l.*, having retired the entire circulation of the bank. The scale of circulation is here in my hand; the gross circulation was 1,156,897 *l.*, and we retired 1,156,163 *l.*, only leaving 734 *l.* outstanding, which has not been demanded.

3150. *Chairman.*] If your account of the register of notes is imperfect, how can you answer for there not being more than 734 *l.* outstanding?—I give, as far as my knowledge extends, an explanation of it; but I beg to refer the Committee for more accurate information to the accountant; but he states this to be accurate, and has sent this over to me.

3151. Mr. *Hamilton.*] When was it proposed to admit English shareholders into the bank?—It was in about September or November 1835.

3152. Who proposed it?—It was the general proposition of the board; but there was a question put by the Chancellor of the Exchequer, upon the last day of my examination, as to whether Mr. Dixon, who had been a director, was cognizant of the fact of the opening the negotiation with Manchester, which was esteemed to be a matter not desirable; and as something might hinge upon that, I felt it my duty to produce the letter of Mr. Dixon referring to the negotiation with Manchester, and showing that he perfectly concurred in it. I myself considered that it would be very useful to the bank to get English shareholders.

3153. *Chairman.*] With whom was the negotiation?—At first with Mr. Morris, the sharebroker, and afterwards with Mr. Hardie, a director of the Northern and Central Bank. This letter of Mr. Dixon to myself is dated the 2d of October 1835; for it is said Mr. Dixon left our bank in consequence of his disapprobation of the manner in which we were proceeding; and this letter says, amongst other things, "No reply from Manchester yet; I think this is rather good;" and the rest of the letter states his satisfaction at all that is doing.

3154. Mr. *Hamilton.*] Did your letter to Manchester contain a statement of the affairs of the bank at that period?—I think it did.

3155. Have you a copy of it?—No, I have not; it is three years since, and we have gone through a very trying three years, and so many things have passed that my recollection on the multifarious concerns of the bank is not perhaps so accurate as it ought to be.

3156. When was your connexion with the north of Ireland established?—It was in the months of March and April 1836.

3157. At whose suggestion?—We were solicited by letter to go by Mr. Emerson, of Belfast, the brother of the Member.

3158. What was the arrangement which was made with the northern branches?—They were to be under the control of the board in Dublin, as a part and parcel of the general concern, like the Provincial Bank.

3159. Was there not a power left to them to make their local arrangements?—No, decidedly not: they wished to have a power to make their local arrangements, and to have a power over local discounts; but the Lord Mayor and myself were there, and we heard so much of the enormous cash credits that they gave in the North, and their habits of discount, that we were quite uneasy at leaving such a power in their own hands; and we have certainly had remonstrance with them very frequently since.

3160. How many branches were there opened in the north of Ireland?—There were at Belfast and in other towns about seven or eight.

3161. Can you state the amount of extension of your issue, consequent upon the opening of those branches?—I should take it to be 150,000 *l.*; but I have here a letter from the manager, dated in June 1836, in which he told us to have in readiness from 300,000 *l.* to 400,000 *l.* of issuable notes sterling, which we looked upon as a very hazardous business, and did not send him down to that extent.

3162. Can you state the amount of capital paid up by the northern share-

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holders?—By the branch at Belfast, for we had it paid up before we went to Belfast, there was 59,000 *l.*, say 60,000 *l.*

3163. You state that the habit of business in the North is different from that which prevails in Dublin and elsewhere in Ireland?—I consider it very different.

3164. Is that difference in the extent of their business?—Yes; and the system of cash credits upon personal security, and the number of over-drawn accounts. The local banks are so peculiarly adapted for them, that from what I have seen, a general bank in connexion with them will not go on well. The Provincial Bank had to cut down their establishment very much.

3165. Do you attribute the difference which has arisen between the central board in Dublin and the northern branches to that circumstance, or to the difference in the habits of business?—I do to a great extent; but the difference, I think, arose from most of the people of Belfast taking their shares from speculation, and then finding the matter not to turn out so fortunate as they expected, they have become dissatisfied; and it is also perhaps right to mention, that as far as we are concerned, there is a paper that has exercised very great influence in Belfast for the last year, which has held us up to all the partners as not fit to be trusted; from personal and local reasons, we presume; and Mr. Emerson, one of our directors, is one of the registered proprietors of that paper, so that we are in a peculiar situation in that respect, he disclaiming any participation in the libels or writing.

3166. Does not that appear to you to be rather an effect than a cause of the difference?—Perhaps so.

3167. There was a bill filed against the directors, or some of them, by a Mr. Hardie, was there not?—There was a bill filed.

3168. Can you explain the circumstances of that transaction?—Yes; the bill was filed by Mr. Hardie to restrain the directors from enforcing the third call, which call had been assented to at the general meeting of last October, and which we considered quite necessary. We had a friendly interview with the gentlemen who were the plaintiffs; and they said, that, as we seemed disposed to do everything that they wished, they would dismiss their own bill, which they did; and I have Mr. Thorpe's letter here, who had the management of the cause, telling Mr. Mahony to dismiss the bill, and the bill was accordingly dismissed.

[*The Witness delivered in the letter, which was read, as follows:*]

"Gresham's Hotel, March 13, 1837.

"*Hardie and others* v. *Dwyer and others.*

"Gentlemen,

"You will please to consent, on behalf of the plaintiffs, to dismiss this bill, on the terms of the defendants paying their own costs; and you are also authorised to consent to take said bill off the file, so soon as the terms of the board's minutes of the 7th inst. are carried into effect.

"Yours faithfully, for Self and Co. plaintiffs,

Messrs. Mahony,
43, Dame-street.

"*Jno. Thorpe.*"

3168*. Was the dismissal of the bill in consequence of that amicable arrangement, and not in consequence of the difficulty of bringing it to a hearing?—It was in consequence of amicable arrangement; and as it may bear upon the case, here is Mr. Thorpe's letter to Mr. Mahony, directing him to dismiss the bill, and to take his affidavit to verify it off the file, for it was considered as extremely injurious to some of the directors; and Mr. Thorpe said, upon explanation, that he regretted very much that he had been influenced by what had been stated to him, to make such an affidavit, and this is his letter; and it was not in consequence of any want of jurisdiction in the court, for the court entertained the bill by granting an injunction, which we did not oppose, against enforcing the third call.

3169. Would it not practically be impossible, where the number of respondents is so large, to file such a bill?—The gentlemen ought to have considered that before they filed the bill; but they said that it was perfectly practicable, and that they had the advice of Messrs. Piggott and Warren; but we always deprecated anything like that. Perhaps it is better to state the reason they gave for filing it. They had three or four interviews with the board upon the accounts, which had been examined by Mr. Smith, of York, and I believe, Mr. Threlfall, of Manchester; they came over from Manchester in March last, and they sought another interview, and the board said they were willing to commit the books to Mr. Thorpe or any shareholder, but they did object that he should

should come accompanied by two solicitors, one of them the solicitor of the Provincial Bank, Mr. Mahony, and the other an English solicitor, and also accompanied by Mr. Threlfall, who has since absconded in debt to the Northern and Central Bank, and been confined in Lancaster Gaol; and because we would not admit, as a banking establishment, all the books to be inspected by a gentleman we did not know and two solicitors, they said they would file a bill against us.

3170. Mr. *O'Connell.*] Where are the assets of the bank now?—At the respective branches.

3171. Are none of them in Dublin?—Very little; the bills are payable at the branches.

3172. Mr. *Hamilton.*] Have you an estimate of the assets?—Yes, we have; and by our estimate the loss would be about from 30,000 *l.* to 50,000 *l.* The expenses of our establishment have been reduced much more than one half since the suspension of the bank, and are in process of reduction, and our branches are reduced to 20 of the best situate, and where there is least competition.

3173. *Chairman.*] In what state is the question between you and the northern proprietors at the present moment?—The northern proprietors have presented a petition for leave to present a bill. We had before told them that that was quite unnecessary, because assuming their case to be true (which we say it is not), of one-fourth of the capital being lost, we are perfectly ready to give them what they would in that case be entitled to under the deed of settlement; which is, to retire their shares at the market value at the time of the report, and to relieve them from all future personal liability by a transfer under 6 Geo. 4, c. 42. We did propose, at an earlier stage, to leave the question to mutual trustees, although no such loss had occurred as they wished to set forward, and that they rejected.

3174. What loss does the account of the auditors produce?—None, except by inference; it states a balance, but states nothing in fact; and I beg to hand in what we call the test of the auditors' accounts, by which we show that their account makes the loss to be 33,000 *l.*, but I say 50,000 *l.* I am of opinion, that after all the confusion which has taken place, from the difficulties of a new establishment too rapidly extended, the assets will be damnified 50,000 *l.*, but the deed of settlement says one-fourth must be actually lost upon the business transactions, before a committee can be demanded.

[*The Witness delivered in the same, which was read, as follows:*]

ADJUSTMENT of AUDITORS' REPORT on the Balance Sheet, made up to 25 February 1837.

Number of Auditors' Remarks.	LIABILITIES.	£.	s.	d.
	Liabilities as per balance-sheet, on 25th February -	38,599	12	7
Remark No. 1	Error in Castlebar Branch - - - - -	19,541	6	9
— No. 2	Ditto in Killarney ditto - - - - - -	1,899	19	4
— No. 3	Dividends in full, stated to be unpaid - - -	9,375	–	–
— No. 4	Current Bills in Dublin (held by R. Gray) - - -	21,819	–	–
— No. 5	Sundry Accounts, not included (paid after date of closing) - - - - - - - - -	4,542	–	–
— No. 7	Difference in Batho and Bingley's Account (not furnished to Accountant previous to date of closing) -	4,190	–	–
— No. 11	Bank Notes - - - - - - - - -	11,902	10	–
— No. 13	J. D. Dowd, of Drogheda - - - - -	1,629	8	4
— No. 14	Bankers' Accounts (furnished after closing) - -	8,775	–	–
	£.	122,273	17	–
	STOCK. £. s. d.			
	Gross Stock - - - - - 398,137 19 6			
	Reverted Stock - £. 45,348 1 –			
	Outfit and Errors - 22,789 18 6			
	68,137 19 6	330,000	–	–
	£.	452,273	17	–

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Number of Auditors' Remarks.	ASSETS.	£.	s.	d.
	Assets as per balance-sheet - - - - -	395,123	16	8
Remark No. 16	Royal bank stock - - - - - - -	13,850	–	–
		408,973	16	8
— No. 17	Error in cash - - - - - - - -	52	–	–
— No. 18	Kilkenny surplus - - - - - - -	606	–	–
— No. 19	J. Boyd of Newry, per Belfast Branch - - -	435	–	–
	Robert Gray (held by him against 890 *l.*) - - -	1,735	–	–
	Cash securities, not included to 25th February - -	5,712	–	–
	Paid on account of dividends, not included to ditto -	1,121	12	8
	£.	418,635	9	4
	Gross apparent loss - - -	33,638	7	8
	£.	452,273	17	–

Thomas Brierly, General Accountant.

3175. Mr. *Jephson.*] What do you call current bills?—Bills on hand coming due.

3176. Are they bills that your bank have accepted?—No, that have been indorsed to us.

3177. Are they still fairly current?—Yes.

3178. They have been passed to you in payment of debts?—Yes; and when they became due, if they were not paid, we renewed them. When the suspension came there was great distress among the people, and we, whenever we got additional security, or part money, renewed the bill for the balance, and that explains why part of our bills are at present current.

3179. Then in point of fact those bills which you put down as current bills are absolutely bills solely connected with your bank; they are original bills of your bank?—Yes.

3180. Bills discounted by yourselves, and not bills paid in by other parties?—No; bills discounted by ourselves.

3181. Then you have been discounting since the stoppage?—In making a renewal of bills we have; we always deducted the discount.

3182. How can you put down a bill, which you are obliged to renew in this way, as good assets?—We do not put it down as good assets; we made a calculation of their value.

3183. Mr. *O'Connell.*] Since your former examination, when you suggested that it would be an additional security against sudden panics, if the notes of joint stock banks were payable only in one place, such as Dublin, and referred to the Scotch law on that subject, have you procured the Scotch Act of Parliament upon the subject?—I have, the 6 Geo. 4, c. 67.

3184. By what section of that Act is it that the notes are payable at the head office?—That Act merely enables the company to sue and be sued, and provides for the registration of partners, but has not any clause to make them locally payable at the branches; the consequence of which is, that it is considered under the old Scotch law that they are only payable at the head branch of issue.

3185. Have you consulted any person who has been employed in Scotch joint stock banks?—I have.

3186. Who have you consulted?—Mr. David Hannay, on the 20th of May 1837, the late manager of the National Bank of Scotland.

3187. How long was he manager of the National Bank of Scotland?—Several years.

3188. What did he state to be the practice?—"In no case are notes issued at branches payable at the branches."

3189. That is the information he gave you?—Yes; he gave me the information in writing.

3190. And you read it from the writing?—I do. I have also consulted others in the city, and they all concur in the statement with regard to the Scotch law of the notes being only payable at the principal bank. And there is in that statute some regulation which the Committee may think useful for the more stringent registration of partners, and which, I think, would be attended with useful results.

3191. *Chairman.*]

3191. *Chairman.*] Have you made any inquiries as to the English Act?—The 7 Geo. 4 makes the notes payable at the branches. There was an Act passed in 1828 with regard to Ireland, to make notes payable wherever issued by a resident agent, and the effect of that is, that it does not reach the case for which it was intended, and that it is attended with perplexing results; because, if you get a respectable man a resident agent in the town, by that law you are not allowed to permit that man to issue the notes except you make the notes locally payable at that agency; and in order to evade that Act you superinduce the bad practice of having a man riding constantly from one branch to another, not to come within the word "resident," at the great risk and danger of bringing the notes up and down the country.

3192. Mr. *Jephson.*] When you stated that the present assets were at the branches, what is the Committee to understand by assets?—The bills.

3193. In the assets are there included all the past-due bills?—Yes, a great many of them are in the hands of the law agents.

3194. Then, those past-due bills are not past-due bills which have been calculated as likely to produce any value to the company?—The past-due bills that are likely to be paid immediately without suit are in the hands of the respective managers, and the past-due bills that will not be paid without suing for them are in the hands of the respective law agents.

3195. But the past-due bills which are included in this balance-sheet form a portion of your assets?—Yes.

3196. Those past-due bills are all past-due bills of the company, and are not merely past-due bills on which it is estimated that there will be a probable return?—They are the past-due bills of the company.

3197. Mr. *Hamilton.*] Mr. Pym proposed a further call in October 1836?—Yes, he did.

3198. Had he at that time paid up the preceding call?—He had taken a great many shares, 2,000*l.* worth, about six months before, upon the specific arrangement, as I understood, with our late manager, Mr. Mitchell, that he was not to be called upon for the second instalment till the month of March, and the time at which he was to be called upon for it had not then arrived; but he stated that partners were bound to pay up a third and fourth call, if necessary.

3199. *Chairman.*] How much did he actually pay?—£.2,100. One hundred of his shares were British shares; he would have to pay now only 1,000*l.* His agreement is in writing, and therefore there can be no doubt of it.

3200. Mr. *Hamilton.*] Was there any arrangement made with the shareholders so as not to make them liable to the third call?—Never, that I heard. The third call was a matter of agreement; and I must say that most of our troubles have arisen from following the suggestions of this Committee, which we thought very wise and salutary, that banks should have adequate paid-up capital. We had 350,000*l.*, and we thought it right to make a further call, and we stated that the reason for the call was the advice and suggestion of this Committee, independently of the monetary system, at that time, and our extension to the north of Ireland.

3201. Were bills taken in payment of shares in many instances?—No; there were some instances of that, which I have stated to the Committee, as far as I recollect.

3202. Have those bills been paid?—All of them except the bills of two gentlemen, and that of Mr. Cassels, as I recollect, except where the shares were cancelled, as in the case of Mr. Weldon.

3203. Have notes of hand in any cases been taken in payment of shares?—Yes, I believe they have.

3204. Mr. *O'Connell.*] In speaking of bills, you make no distinction between bills and notes of hand?—No, I do not.

3205. Mr. *Jephson.*] Are not the cash credits also a part of the assets?—They are.

3206. Must not those necessarily be the credits which there has been so much difficulty in recovering that they have not been paid in since November 1836?—Their total amount in November was 130,000*l.*, and we have got in since, without suit, 47,000*l.* We consider that the cash credits are, on a general average, safe. There will be probably a loss of 10,000*l.* or 15,000*l.* if we do not go on smoothly. But I consider, that had not the contentions arisen the greater part of the assets would have been in cash.

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3207. Did you not, immediately upon the stoppage of payment in November 1836, call for the payment of all those cash credits, and do not some still remain due in spite of the call, and in spite of the proceedings that have been taken?—We did not call immediately, but we wrote to the managers in every case where they considered that cash credits could be got without causing great distress (for bankers consider it very injudicious to pounce immediately upon a man for his cash credits), but wherever the managers could procure it, we ordered them to procure it, but not unnecessarily to multiply law-suits.

Veneris, 26° *die Maii*, 1837.

MEMBERS PRESENT.

Mr. F. T. Baring.	Mr. Jephson.
Mr. O'Connell.	Mr. Morrison.
Sir Thomas Fremantle.	Mr. Strutt.
Mr. Hamilton.	Sir John Wrottesley.

F. T. BARING, Esq., IN THE CHAIR.

James Dwyer, Esq., called in; and further Examined.

3208. *Chairman.*] I UNDERSTAND there is a part of your evidence you wish to make some explanation about; you stated that the sum paid to Mr. Dixon was 375 *l.* for his shares?—Yes; but from inquiry made since of a gentleman who was present, I find it was 350 *l.*, inclusive of outfit and dividend.

3209 Mr. *Hamilton.*] Have you anything to explain with reference to the transfer of Mr. Taylor's shares?—Yes; since I was here the last day I have received a statement from the accountant, that Mr. Taylor had not availed himself of the transfer of the shares, that the thing had not taken place. There is a statement I have with me as to the Mallow branch, which an honourable Member wished to have, stating that the amount of bills discounted at Mallow, from the 19th of May 1835, was 84,300 *l.*, of which 78,300 *l.* was paid; the balance of 6,000 *l.* stands thus: current 1,300 *l.*, past-due 4,700 *l.*, on the collection of which the loss is not expected to be considerable. The gross sum of notes transmitted to that branch was 24,100 *l.*, out of which was returned unsigned 5,800 *l.*, leaving for circulation 18,300 *l.*, of which 2,500 *l.* were furnished from that branch to the Kanturk branch; a very trifling balance remains yet out; the largest sum of discount there that the books charge is 20,600 *l.*, in August 1835; that was peculiarly wished by a gentleman of the Committee.

3210. Is there any further explanation you wish to offer?—No, I do not recollect any other matter, except as to a question by an honourable Member regarding the practice of the Scotch banks. I have a letter corroborating what I stated as to the practice of only paying at the head branch; it is a letter from Mr. Robertson, of the National Provincial Bank of England, corroborating that statement.

3211. Could you furnish the Committee with the expenses of the outfit of each of the branches?—I think I could.

3212. Mr. *O'Connell.*] Do you know anything of a house taken for the bank premises in Dublin?—Yes, I do.

3213. What was the sum paid for it originally?—I think it was 1,500 *l.*; I was in Belfast when the matter occurred, I can therefore give no positive answer upon the subject. I was in Belfast upon the formation of that branch, when the matter occurred, but the accountant can state everything relating to it; I have heard of it; I have heard the statement, and it was this, that the gentlemen that were concerned in the purchase of it bought it as a private speculation, with a view to sell it to the Royal Bank of Ireland, which was then a new speculation; they bought it for 1,500 *l.* It afterwards became an object with the Agricultural Bank to have a house for the exchange of their notes in Dublin.

3214. The Agricultural Bank finding it an object, bought it for how much?—£. 2,500, or 2,200 *l.*, I do not distinctly recollect which, by the valuation of Mr. Carolin, and Mr. Butler, the architect, mutually appointed.

3215. They

3215. They valued it?—Yes.

3216. Who were the persons that originally bought it, and made a profit of 1,000 *l.*?—Mr. Jones and Mr. Palmer, two of the directors, and Mr. Mitchell, the manager.

3217. They bought it at a sum from 1,000 *l.* to 1,500 *l.*?—Yes.

3218. Are you sure it was not 1,000 *l.*?—Yes, positive; it was 1,500 *l.*, for when the matter was brought before the Board, the value was stated at 5,000 *l.*; it cost Gibbons & Williams 7,000 *l.* to fit it up; it is the house we have given to Boyle, Low & Pim in consequence of the fire at their premises; it is fitted up as a bank, with every requisite of iron-safes, &c.

3219. *Chairman.*] Did the bank buy it in the same state in which it was sold to those parties?—Yes, they did, and it was by valuation; it cost Gibbons & Williams 7,500 *l.*

3220. Mr. *O'Connell.*] They bought it in that state?—Yes.

3221. Without laying out any money upon it they made a profit of 1,000 *l.* by it?—Yes.

Thomas Michael Gresham, Esq., called in; and Examined.

3222. *Chairman.*] WHEN did you become a proprietor of this bank?—In March 1836.

3223. Subsequently you became a director?—November 7, 1836, I was elected.

3224. Mr. *O'Connell.*] So shortly before the failure, was it?—Yes.

3225. *Chairman.*] Did you take any part in the transactions of the bank till you were elected a member?—None whatever.

3226. When did you take your seat as a director?—The 8th of November.

3227. Had you any reason on the 9th to look into the transactions of the bank?—Yes, I had.

3228. Have the goodness to state what took place on the 9th, and subsequently?—On the 9th they said they were very much run upon, and the bank would have to stop; and they applied to me to get them funds, or they said the bank would stop. I said I could give them a few thousands if I could transfer my funded property; and they then requested me to do so. I ran out to a broker to see if I could get it done; I found it was after two o'clock, which is the appointed time for bank stock to be transferred; they themselves got their own broker to do it after mine had been refused. I sent my name in to the governor, and they acquiesced in my request, and I had it transferred over; and one of the directors, of the name of Saunders, went with me; he was in such haste he helped to get the money counted, and ran in with it.

3229. What was the amount?—£. 8,000.

3230. Mr. *O'Connell.*] £. 8,000 in stock?—Yes, in stock.

3231. *Chairman.*] Soon afterwards did you make any further advance?—On the next day but one, Friday; they then said they could go on no longer unless they got funds from the Bank of Ireland; upon that, one of the deputation went into the bank to try to get it, and the bank said they would send an answer; and in the course of the afternoon they sent an answer to say, that the court had ruled that they would give money upon bills, provided Mr. Gresham would put his name upon them; I, in answer, said I would be very glad to do anything I could; they had already told me that the salvation of the country was in my hands, and that sort of thing, but I had never put my name upon a bill in my life, and it was a rule I had made never to have anything to do with bills; that it would be very repugnant to my feelings to do so.

3232. Were you induced to do so?—Then the Lord Mayor went into the bank to say that they would all put their names upon the bills, and give them the indorsement of the bank; that they would do more, that they would sign a letter binding themselves personally, independently of the bank, provided the Bank of Ireland would give the money without Mr. Gresham's name; they made the excuse that Mr. Gresham was gone home; and word came back from the governor and deputy-governor to say, that they could not alter the decision of the court, and they would not give the money unless Mr. Gresham would indorse the bills. I still objected very much; they repeatedly urged it; I then went to the Bank of Ireland to try, if possible, whether any other thing would do on my part, a letter or something, showing I was willing to give all my funded property; I felt, as a partner, that was at stake, but I felt a repugnance to sign bills, and begged

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they would let me off. When I went in, Mr. Greaves, the bank secretary, told me that the governor of the bank and the deputy-governor had gone to our bank in Fleet-street, and on my return back there I met them at the foot of the stairs; they returned into the board-room, and they themselves heard the directors for a long time urging me, telling me that the salvation of the three countries was in my hands. Mr. Dwyer made use of an expression, and said he would give a great deal to be placed in such a proud situation as I was placed in then; I told him I did not feel it a proud situation, but a very melancholy one; and after a great deal of trying to induce me to do so, the Lord Mayor said he would put his name on. I still objected, and I turned to Mr. Wilson, the deputy-governor, and said, "Mr. Wilson, you have known me to keep my account at the Bank of Ireland so many years, and you never saw my name upon a bill;" his answer was, he had not, and he applauded my motive very much, but the circumstances of that moment seemed to be so urgent that it was a question whether it would not alter my opinion; and a gentleman who was there, the governor of the bank, who was with Mr. Wilson, made use of one expression which induced me at once to accede to their wish, and that was to this effect: "Why, Mr. Gresham, we quite agree with your resolutions; they are very proper; but here is an instance of an extraordinary nature, and we have done for you on this day what we have never done since the bank was a chartered bank, that is, to wait so long" (I think this was about six in the evening) "to accommodate you, and the question is, will not you now do for this once what you have never done before?" and I immediately turned and said, "That is a very strong argument; will you give the money to-night if I do so?" and they said they would; and I then began to indorse the bills. The Lord Mayor signed them, and then I signed them; they did not require any other names upon them, though they all offered to sign them. I signed after the Lord Mayor a great quantity, which would do that evening, and the remainder was to be done the next morning; and they gave 10,000 *l.* that evening; they sent to the country a car or carriage for Mr. Lowe, the cashier, who lives on the Howth Road, to come and give out the money, and he gave them the money that evening, in sovereigns.

3233. On Saturday the pressure continued?—Yes, it continued, for the gentleman who succeeded me when I retired from business, finding that the case, sent me some money, but I found it was all over with the bank, and I was determined not to involve him, and I sent it back. The bank knew I had it, and wanted it.

3234. The bank stopped on Monday?—Yes.

3235. Mr. *O'Connell.*] When you became a director, did they apprise you of the real state of the bank?—No; on the contrary, they told me if I would advance the money it would save the bank, and there was no difficulty about it.

3236. Who told you that?—Mr. Dwyer.

3237. *Chairman.*] Did you subsequently to the failure of the bank turn your attention to see if any registry of the notes was kept?—I did, and found there was none.

3238. When was this?—I think it was about three weeks after the bank suspended payment; from three weeks to a month; my attention was particularly called to that part of it in consequence of so many different reports; what they said one day, they contradicted by their report to me the next day in conversation as to our liabilities. I went down into the room where they were counting the notes; I thought they were exceedingly loosely attended to, and I spoke to the cashier, and to the members of the board-room; I wished to have the notes cancelled, inasmuch as I saw our danger; I had heard of a bank that had failed some time, in Ireland, and the notes got into circulation again, and my alarm became very strong upon it. I suggested a great many times before I could get their consent to have the notes cancelled; they said they must go on again, and very soon, and they would want their notes. I argued, if they did go on, the expense of new notes would be very little compared to their getting into circulation again: however, with a great deal to do, I got permission to go and cancel the notes. I then got the house messenger, and Mr. Tilley, one of the board, and myself went down and cancelled the notes. I remained two days in the vault cancelling notes; they had got a sort of book machine that cut them as fast as they were put in. They wanted them merely stamped; I begged that the names and signatures should be cut off. I became very much altered, and never slept night or day, seeing the state our property would be in if the notes got into circulation.

circulation. There could not have been less than 2,000,000 between those signed and those not signed; I was very much alarmed, and I destroyed during two days.

3239. What quantity did you destroy?—Mr. Tilley and I destroyed about 600,000*l.* or 700,000*l.*; but I caught cold in the cellar, it was a sort of vault; and I know that Mr. Taylor and Mr. Tilley at my request went down on other days to cut the notes, but I am not prepared to say whether they were all cancelled or not. I know one thing, that they lost three parcels of notes; one they lost since I became a director, and I suggested that the persons sending notes from the branches should cancel them before they parted with them, so that if they were lost, they would not be an injury to us; that was neglected in one instance not very long ago, in which a Mr. Waters, one of the clerks, was sent about some notes, and he lost his portmanteau and the notes; I never could learn what the amount was he lost.

3240. Did you make any memorandum of the notes you cancelled?—No, I did not; they were put up in parcels in tin boxes, and the messenger returned them there; so that what we took out of the box we put back in the very same box, after the name was cut off; and I took great care to have the signatures burnt in the little stone yard; and I gave the cashier the notes after they had been cut off.

3241. Did you examine the books of the bank subsequently?—I did not much, and I had my particular reasons for not doing so: first, I am not an accountant, and should not have well understood them; I might have understood between the profit and loss, the manner they kept them, but there was a circumstance happened with the new accountant we got, who made use of an expression which satisfied me it was useless for me to meddle with them.

3242. Who was that?—A Mr. Brierly; and his expression was, that he had seen a great deal of book-keeping, both in banks and mercantile houses, and he had never seen any but what he could make something of before, but he declared he could not make anything of the manner in which the books had been kept there.

3243. You could state whether the books had been posted up to the proper time?—I can state for myself that they were not posted. I was in the room the very day after the bank stopped, when a Mr. Cardukes and Mr. Emerson, from Belfast, came to the bank and asked our accountant, whose name then was Mackenzie, why the books were not posted, that they were four months or more backwards.

3244. Did you see the books yourself?—Yes, I was in the room myself.

3245. They were not posted?—No, they were not; I spoke to Mr. Mackenzie myself, and his answer was, he had been sent away month after month up and down the country on account of the run on the bank, and they had not been posted.

3246. With respect to the business of the Board, did you look into the minute-books to see how they were kept?—I did; they were not kept regularly at all.

3247. Did you examine the minute-books?—Yes, I did, and I found them very irregular.

3248. Had there been complaints made of the mode in which they had been kept?—I did not hear the board make complaint; they made one complaint, and I made complaints several times; more than once. I spoke to the person we appointed to keep the minute-book; there was a new appointment made of a Mr. Raper; he was appointed to keep them.

3249. State to the Committee what minute-books were kept?—There was a sort of a little memorandum-book in the board-room, in which Mr. Mitchell, who was then the manager, took down what occurred in the board-room, at least if he was desired to do so, and that was very imperfectly attended to. I spoke of it two or three times after Mr. Mitchell left, and Mr. Raper was appointed.

3250. When was Mr. Raper appointed?—I cannot say the time; I know it was Mr. Dwyer suggested he should be appointed; he was a relation of Mr. Dwyer's.

3251. This was after November?—Yes, it was about three months ago; I had no objection to his being appointed, and then, certainly, they kept it much better; but I had great cause to complain of him and the person who has last kept it; he has not posted any minutes at all for at least more than a fortnight; I have asked him the reason, and he has said he had been employed upon other things, and so he was, by Mr. Dwyer.

3252. You attended the board after you were elected a director?—Yes.

 3253. Have

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3253. Have the goodness to state in what manner the business was conducted at the Board?—After I was elected there appeared to be no regular board-hour, and I suggested that it would be better to have a board-hour; they said 11 o'clock was the hour, but members did not come. I said, if it did not agree with their coming, let there be another hour, and two o'clock was appointed, but that was very imperfectly attended too.

3254. How was the business conducted; in what mode?—I think I might say that Mr. Dwyer has attended always; I do not think I knew him ever to miss one day, except Sunday. I never remember him being away but one day entirely, and then he was ill; he used to sit at a side table; he was the chairman, but never took the chair. After the bank stopped he used to sit at the side of the table, writing from morning till night; and he was, I may say, the Board altogether; so much so, that I tried it, for I complained that persons' names were spoken of as being present when they were not, and the answer was, from Mr. Jones to me, "I do not know whether they were or not; but I agree with such and such a thing;" and from such goings on as that I became a very useless member. As soon as I found the thing was so very bad, in October, previous to the failure of the bank, I was going to ask a great many questions, having heard out of doors that all was not right. I was not then a member, and a report was brought forward then, and an affidavit made to put it forward; after which I said I could not think of asking the questions I intended, as it would appear I did not believe what had been there stated, and I should not like to place any gentleman in that situation, and I took for granted it was all correct; the report said we had 17,000*l.* over and above all our capital; that they had declared a dividend which amounted to 9,000*l.* and something, leaving a balance of 8,000*l.* to be put to a sort of stock fund. I was well contented with that; I looked at the Lord Mayor, who was in the chair, and he said "Friend Gresham, that affidavit was not taken before me; but was taken before a Mr. Cole, a magistrate." My answer was, I believe the affidavit, and I was perfectly satisfied, and I hoped those gentlemen who expected me to bring forward some resolutions would excuse my doing so, and I hoped they were satisfied. It was a large meeting.

3255. Mr. *Hamilton.*] Had the affidavit reference to that statement of a balance of 17,000*l.*?—Yes, it was to swear that the report given to us was correct; the law requires it to be so, and it was so. There was one circumstance happened just at that meeting, which was, that a third call was proposed by a Mr. Pym, whom our report called an influential gentleman, as he is; and on my coming to the board a month afterwards or so, I began to look into things, and I saw a great many people had not paid their second call; and I saw amongst them this Mr. Pym; they had pointed Mr. Pym out as being a gentleman of large property, and I thought, under the circumstances of our bank not being able to pay its way, Mr. Pym ought to be called upon, and I desired a letter to be written to Mr. Pym to request him to pay up. Some time after I inquired from the secretary in the board-room whether he had done so, he said he had; I then made my application to know his answer, he said he had not got his answer; I said, there is a something that is very strange, that none of you seem astonished, as I am, that Mr. Pym, a gentleman of his standing in society, would not answer the letter of the board. I then said, it would be better to tell me, and I then elicited, for the first time, that there had been an agreement made with Mr. Pym, that if he would take 1,000*l.* worth of shares, they would take his bill for 12 months; and he made a specific agreement, and said that he was not to be called upon to pay any more till he had paid that bill; I said, whatever you have done I must attend to, provided it is on the minute-book; I called for the minute-book, and found no such agreement on it; I then asked if any gentleman would take to himself the making of that agreement, and I found that one of the directors, a Mr. Taylor, was the possessor of the bill; he had discounted it for the bank, and they had passed it to one of the directors. I said, I would not allow Mr. Pym to hold the position he did, unless they could show me some written agreement; they could show me none; they said it must be as it was; I found I had no control, and it passed on.

3256. Mr. *Hamilton.*] You have stated the meeting was a large one; were there many English proprietors there?—No; very few.

3257. Sir *John Wrottesley.*] Was the bill given by Mr. Pym to the directors originally?—Yes.

3258. If Mr. Taylor discounted the bill, had not Mr. Taylor the bill in his possession?—Yes, he said he had; he told me so.

3259. Had

3259. Had Mr. Taylor paid the cash?—I do not know; he said he had it in his possession, and it could not be due until such a time, and I think that time was in March; I may say for certain. Of course I had no control over Mr. Pym till the bill was paid, inasmuch as the words of the agreement were, that he was not to be called upon to pay more till he had been called upon to pay the bill.

3260. Mr. Taylor had it in his possession?—That he had it long in his possession I cannot say; he had discounted it.

3261. If he had discounted it, would not the proceeds of that bill have appeared in the books of the bank?—Yes; but it was quite impossible for me to find out these things from their books; checks were not kept as they ought to be.

3262. Mr. *Jephson.*] Do you wish the Committee to understand that the bank had actually got value for Mr. Pym's shares or not, exclusive of the bill which Mr. Taylor appears to have taken?—Decidedly not; no value but that bill.

3263. Sir *John Wrottesley.*] Do you mean that the first 1,000 *l.* was not paid?—He paid nothing whatever, not one farthing; he gave that bill.

3264. Mr. *Jephson.*] How did Mr. Taylor get possession of the bill?—The bill was given to the bank by Mr. Pym; the bank had the bill, and as they were in the habit of getting their own bills discounted, I presume that Mr. Taylor discounted it for the bank.

3265. Sir *John Wrottesley.*] That was for the first 1,000 *l.*?—Yes.

3266. And the second he has never paid, nor given any security for?—No; I am not certain that he paid the first.

3267. Do you know whether he signed the deed?—I am sure I do not know.

3268. *Chairman.*] Were any of the shares of the Royal Bank of Ireland purchased by the Agricultural Bank?—Yes, there were; I have a list of them in my pocket, and the persons whose names they were bought in, whose names they stand in at the Royal Bank; they do not stand in the name of the Agricultural Bank, although it was their money that paid for them; they have been handed over as part of our money.

3269. What was the amount?—I have got a statement of them; I have said a good deal upon the subject, and I thought that the statement might have come to this Committee's ears through the public press.—Royal Bank shares held by Agricultural Bank as follows: James Dwyer, 1,750 *l.*; William Hodges, 525 *l.*; John Chambers, 262 *l.* 10 *s.*; John A. Palmer, 525 *l.*, and ditto, 262 *l.* 10 *s.* Phillip Jones, 525 *l.*, and ditto, 262 *l.* 10 *s.*; Thomas Mooney, 1,050 *l.*; William Bayley Wallis, 2,625 *l.*; William Bayley Wallis, jun. 2,625 *l.*; William Mitchell, manager, 1,575 *l.* There is a mark made to Mr. Mooney, or the transaction with Mr. Mooney, inasmuch as we have not got his scrip, and if you will allow me I will explain why: Mr. Mooney attended the board to make a claim against the board, on account, he said, that the board had called upon him to pay a bill for 900 *l.*; I happened to be in the chair at the board that day, and he addressed me, and he said he wished to have it; he had paid 500 *l.* for shares in the first instance, and he had paid another instalment to the amount of 200 *l.*, and he wished the board would allow him that 200 *l.*; to take his shares back for that 200 *l.*; I said we could do no such thing, and I called upon him to pay his bill; and he had stated, when spoken to as to having mortgaged his scrip, he had got it for the purpose, I understood, of his being able to vote at the election for the Royal Bank committee, and he never returned it; he mortgaged it or pawned it to Messrs. Pim, Boyle, Low & Co.; he raised a sum of 500 *l.* upon it, he said himself, and Messrs. Pim, Boyle, Low & Co. when he came for it would not give it up; they said that they had a claim for 750 *l.* upon it. Mr. Mooney then, in answer to my question, said that the 500 *l.* he had raised upon it was not obtained for his own account; that the bank was in distress for money; that he ran out and obtained the loan of 500 *l.* upon this scrip, and which money he gave the cashier of the bank, and the board then, after a conversation, admitted that that was the case; I then said, that Mr. Mooney ought to be allowed it, but I would not allow him to give back shares, or anybody, as what was fair for one was fair for another; and Mr. Mooney's account up to this day has never been settled; but Messrs. Pim, Boyle, Low & Co. claim the Royal Bank stock, and the bank has lost it.

3270. With reference to those shares, were they bought with the money of the bank?—Yes, they were; money from the bank was got to pay for them, and it was obliged to be cash. There was a circumstance which called my attention to it more than anything else; we were in very great distress for money repeatedly,

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and I often brought it before the board, and urged it very strongly, that as we had so many thousands of Royal stock, would it not be more prudent to give up that Royal stock and get money for it instead of taking our bills and raising money as we did; I could never get them to consent to it, and they continued shareholders of the Royal Bank, though the solicitor came and informed them in person, before my face, that he had got notice that the Royal Bank would forfeit those shares unless another instalment was paid upon them; the Royal Bank knew nothing of them but as individuals; they are in their individual names; the answer was, they could not do so; they have, says Mr. Dwyer, violated their own deed; they have not stuck to their prospectus, and they cannot forfeit these shares. I pressed them very much that the solicitor should be examined, and that we should know from the Royal Bank how the matter stood; that the bank would certainly lose a very large sum of money if they had the power to forfeit the shares; I pressed them to be sold, but they never would consent.

3271. When you pressed them to sell them, was it stated that they were the shares of the bank?—The shares of the bank, as I presumed, because the scrip was in the possession of the cashier.

3272. They were stated to you as shares of the company?—Yes; when I spoke to them as having gambled in the funds, and when I could prove they were borrowing money at a large per centage, and had four emissaries out looking for money at the same time, they put their hands into the pocket of the company, and took money to purchase shares.

3273. When were those shares purchased?—About three months before the bank stopped; I cannot exactly say when, but the Royal Bank has not been opened twelve months, and we have been stopped since November.

3274. Were any of those shares ever sold?—I know of none, except Mr. Mooney's; I am quite aware of one thing, for I have asked the board the question, where the scrip was, and I found that Messrs. Ball, the bankers, when I came away, had part of it, and they had them upon these terms, that they could not get money. Messrs. Ball would not take the bills with Mr. Taylor's, one of the directors, indorsement, as well as the bank, unless he got some other security; and they got this Royal Bank stock, or part of it, as a security, for so they told me themselves when I spoke upon the subject. When Messrs. Cardukes & Emerson were examining the accounts, the words Royal stock were mentioned by the accountant, and then for the first time I heard of it; and upon looking into it, I found that such was the case, that they had purchased the Royal stock; and I have not the least hesitation in saying, for I happen to be one who prevented it, I did not know they had purchased the stock in the bank's name; I thought it was their own property. I was aware that our directors were seeking to be directors of the Royal Bank before I went into the direction, and I said, at a meeting of the proprietors, I thought it very improper that they should be the directors of the Agricultural and also of the Royal Bank; that it was impossible they could attend to it. A great deal of discussion took place, and upon my movement it was abandoned, with the exception of one, and that was to be Mr. Dwyer; they wanted to have it in case Mr. Dwyer died, or anything else happened, that they might elect another without a general meeting; I said, no, his name should be mentioned if an exception was made; and that I thought it necessary that the proprietors should have an opportunity of electing another in case anything happened to Mr. Dwyer, or otherwise; and it was carried at my suggestion. I was then a proprietor, and did not know the state of the bank at that time. That was the mode in which they bought those shares: it was with the bank money, and for their own purposes, no doubt with a view to get an additional salary, as they did at the Agricultural.

3275. Mr. *Jephson.*] Is this transaction entered on the minute-books?—No, I think not.

3276. *Chairman.*] No order for the purchase was entered on the minute-books?—I cannot say that.

3277. Mr. *Jephson.*] Did you ever inquire whether the arrangement with the Royal Bank was entered on the minute-books?—I cannot say.

3278. Did the proprietors pass their bills to the bank, or the Royal Bank?—There were none.

3279. Did they pass their bills to the bank, and get cash on the bills in order to pay for the Royal Bank stock?—I cannot say how they obtained it from our bank.

3280. You never inquired?—No.

3281. At the meeting in October, at which you were present, how did this stock that was held by the bank, belonging to the Royal Bank, appear in the asset branch of the account?—It was not stated at all; they did not give us the particulars; they merely said assets and liabilities.

3282. When the first statements were drawn up of the assets and liabilities of the bank, under what head was this Royal Bank stock placed?—It was never mentioned at all by any one, till Messrs. Cardukes & Emerson came to examine them.

3283. In the books of the bank how did that stock stand?—The word was merely Royal stock, so much.

3284. Was it a separate account, or were there separate portions of the Royal Bank stock entered?—No, it was a bulk account; one sum.

3285. *Chairman.*] Did you look into the account with respect to the branch bank at Cork?—No, I did not; I know nothing further of that part of it than the auditors' report.

3286. Mr. *Jephson.*] Can you state with any certainty, whether the gentlemen whose names you have mentioned as being proprietors of the Royal Bank stock, were indebted to the Agricultural Bank at the time of the failure, and whether they have paid the amounts that were severally debited against them since?—There was no separate account kept for the directors, and there was no notice of it in our bank, but Royal stock so much, and upon obtaining the money they obtained it by an order from themselves to the cashier, to their own officer.

3287. Was the money for the Royal Bank stock paid by one order on the cashier of the Agricultural Bank, or a separate order of the different gentlemen in whose names it stood?—I do not know that.

3288. *Chairman.*] Were the gentlemen who were directors at the time you were elected a director, accustomed to banking business?—Not any of them, except Mr. Dwyer, being secretary once to the Hibernian Bank.

3289. Mr. *Jephson.*] Were they persons whose previous habits of life had accustomed them to accounts?—I should think Mr. Mooney, from the manner in which he has written, was a talented man, and I think he must have been accustomed to accounts; but if I was to judge from their situations in life, none of them have been accustomed to it. The fact was, there is no manner of doubt that we were all deceived in two names in that bank, which was Thomas Mooney and John Chambers; Thomas Mooney used to sign without putting his address, and I myself thought it was another Thomas Mooney, who is a gentleman of large property, of very high standing in society, and a perfect man of business; and Mr. Chambers, who is a director of the Bank of Ireland at this moment; we all thought it was him, North, South, East and West; and I have heard Mr. Dwyer repeat the same in another transaction; he begged Mr. Mooney to put his address to his name, which was something about an assurance company; his address was Frances-street.

3290. Mr. *Jephson.*] Up to what period were you under the impression that Messrs. Mooney and Chambers were on the direction?—Long before I joined it, and after I joined it, seeing their names in the papers.

3291. *Chairman.*] Do I understand you to say that Mr. Dwyer requested Mr. Mooney to put his address?—Yes; that was about an insurance company he was setting on foot, and he asked him to put his address.

3292. Mr. *Hamilton.*] In a case in which there was a public advertisement?—Yes.

3293. Were the addresses appended to the other names?—No.

3294. You were misled by the circumstance of the address not being put?—Yes, that was very generally understood; that circumstance was.

3295. *Chairman.*] After the stoppage of the bank, was it in the contemplation of the board to obtain money in London, and to re-open their branches?—Yes, it was.

3296 On what grounds did they drop that intention?—They could not succeed.

3297. Did you make any representation upon the subject?—Yes, I did; Mr. Jones was going to London to raise 200,000*l.* if he could, upon a previous representation that it could be obtained upon bills; that several gentlemen had agreed that they would take our stock, to any amount that could be mentioned almost, provided they would be allowed to have a board in London, and I perfectly agreed with it;

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it; but, on the board giving Mr. Jones instructions to go to London on that errand, I wished the instructions read; they were read, and there was an expression in them, that he was to raise the money by selling our stock, or otherwise, and I required that the word "otherwise" should be left out, or I would not agree to his going. A good deal of conversation ensued, and at last this "otherwise" was allowed to be crossed out; Mr. Jones went to London, and remained in London a long while, and all his communications were private to Mr. Dwyer, while in London. Both myself and others spoke of the impropriety of such proceedings, and then Mr. Dwyer showed me a couple of his letters. On Mr. Jones's return, finding he could not obtain the money, he said, although he had not done so he had much private information to give; he could not tell the whole board, but that he would tell a part. We remonstrated upon that, this being the bank business, that the board ought to know; I objected, although I was one of the chosen ones, to hear the report; I said it would be unfair, unless the whole board heard it; and when we heard it we were told by Mr. Jones he could do so and so; but we found there was a Mr. Harris in London they corresponded with, and we found from Mr. Harris's letters that they differed very much with Mr. Jones. The London gentlemen said they would do so and so, but that was after we wound up our concerns, and paid all our liabilities off, and then came to them and made a new agreement for they would not undertake to meddle with our old liabilities; and then they would not promise to what amount of stock they would take, and it all fell to the ground.

3298. Mr. *Jephson.*] You have stated you were elected a director on the 7th of November?—Yes.

3399. How were you elected?—Unanimously.

3300. By whom?—The proprietary; every soul that voted, voted for me.

3301. Can you recollect by whom you were proposed; do you conceive that the board of directors were desirous to get you among them to assist the bank?—I do not think it was quite so much to assist them as to quiet the proprietary.

3302. Were you induced to become a member of that board of directors in consequence of any representation made to you as to the perfect solvency of the affairs of the bank, and by whom was it made?—No, not on the ground of perfect solvency, but rather on a suspicion that the contrary was the case; I consulted a professional gentleman when they requested me to go on the board, and he advised me to go on, in order to secure myself; and I should add, there was a meeting of proprietors to solicit me; there were 19 or 20 in the room; I still objected, but at last I consented, finding that a circumstance had happened that I was not previously aware of; I said, if I could relieve them I would, and that was this, that a Mr. Shaw, Mr. Guinnes, Mr. Scott and Mr. Perry had been mentioned as having consented to go as members upon the board; Mr. Dwyer objected to it, inasmuch as the deed required that they should hold so many shares, and those shares should be held three months previous to their election; I then agreed to go on, on conditions, to please those proprietors, and though my name was on the house list, with the board, that they would allow me to withdraw from the board again in three months' time, when those persons would be qualified; and I went in on those conditions.

3303. Mr. *Hamilton.*] Have you been paid the sums you advanced to the bank?—Yes.

3304. There is nothing due to you from the bank?—Nothing but my shares.

3305. You stated, an observation had been made by Mr. Brierly about the accounts; when was that made; was it before or after you became a director?—It was subsequently to the suspension of the bank; two months subsequent.

3306. Did you ever notice on the minute-book the protest of an individual in reference to the affairs of the bank?—Yes, it was Mr. Mitchell, the manager.

3307. Do you happen to know in which of the minute-books it was, whether in the fair or in the rough minute-book?—It was in the large minute-book, he showed it me.

3308. What was the nature of the protest?—He wrote from London, when he was up here borrowing money, to tell them not to open such and such branches, which they did; and when he came home, he being the manager, entered his protest against them, to save his character.

3309. Has there been recently any offer of a compromise between the contending parties in respect to this bank?—There were several offers made by discontents, but the law in some instances interfered, and showed them that they could not; even

even if the board complied, they were not safe in doing so; and, in other instances, we were not able to do so. *T.M.Gresham,Esq.* 26 May 1837.

3310. There was an attempt made to wind up the matters by a bill in Chancery?—Yes.

3311. That failed?—Yes.

3312. On what grounds?—Messrs. Warren and Piggott's opinion is, I read it myself, that generations might pass away before it ever could be brought to a hearing; that is the expression he makes use of; an impossibility it is; I firmly believe, as I believe I am here, that the discontents care nothing about what they have lost; they have no anxiety to rip up even the misconduct of the board in any way whatever; our whole anxiety is to secure our fortunes. We have no object but that; and I did propose a plan that I thought would meet the views of all parties, and if they would agree to it, all dissent would fall.

Veneris, 2° die Junii, 1837.

MEMBERS PRESENT.

Mr. O'Connell.	Mr. Jephson.
Mr. Chancellor of the Exchequer.	Mr. Loch.
Mr. Hamilton.	Mr. Pattison.

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

Mr. *William Goodier,* called in; and Examined.

3313. *Chairman.*] WHAT is your occupation in life?—I am now a manager of a joint stock bank at Manchester. *Mr. Wm. Goodier.* 2 June 1837.

3314. What bank?—The National Provincial Bank of England.

3315. How long have you been connected with the National Provincial Bank?—I closed the agreement with them on Friday last but one.

3316. Was that the first banking establishment with which you were connected?—No; the first was the house of Heywood Brothers & Co., as it then stood in Manchester.

3317. How long were you in that?—About 12 years and a half.

3318. Subsequently?—With the Bank of Manchester about three years; a little over three years; and the Northern and Central Bank of England about three years.

3319. May I ask whether you were recommended from Messrs. Heywood to the bank in which you afterwards entered?—They were applied to by the directors of the Bank of Manchester, and I believe they received a satisfactory answer.

3320. Have you been at all aware of any of the late transactions in respect of the Agricultural Bank of Ireland?—So far as the balance-sheet, as exhibited at the meeting of the proprietors on the 20th of March, goes, I am aware.

3321. Will you have the goodness to state to the Committee under what circumstances you were brought into connexion with the affairs of the Agricultural Bank of Ireland?—I was nominated as one of four auditors, who by agreement were to be appointed by the shareholders at the meeting of the 20th of March.

3322. Had you any natural connexion with the Agricultural Bank, or was there any considerable number of proprietors of the Agricultural Bank sitting at Manchester, which led to your selection for the duty of auditor?—It was the selection of the proprietors of the Agricultural and Commercial Bank stock at Manchester, that caused my going over.

3323. Was there a considerable number of proprietors at Manchester?—I do not know the exact number; perhaps 20, or something of that kind.

3324. Are you aware whether the amount of stock which they held was considerable?—Yes, it was considerable.

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3325. Was Mr. Hardie one of those persons?—He was.

3326. Was he one of the most considerable proprietors of stock of the Agricultural and Commercial Bank?—I should think the largest proprietor.

3327. Mr. *O'Connell.*] What was the amount paid on his shares?—We had no evidence of that; we saw no register of a payment, but it was understood and stated generally that he had paid upwards of 20,000*l.* for his stock.

3328. And did you find no entry of that payment?—No; there is no record.

3329. *Chairman.*] Did you go over from Manchester to Dublin alone in the execution of this duty, or were you accompanied by anybody else; and if so, by whom?—I was accompanied by Mr. Hardie.

3330. On what day did you arrive in Dublin?—On the morning of the 20th of March.

3331. Was not that the day on which a public meeting was held upon the subject of the affairs of the bank?—It was the day on which a meeting was held to bring forward the balance-sheet of the bank.

3332. Where was that meeting held?—At Morrison's Hotel.

3333. Did you attend it?—I did.

3334. Will you describe the character of that meeting?—It was just a scene of confusion.

3335. Who was in the chair?—Mr. Gresham.

3336. Was there any power of maintaining order or transacting business?—No, not as I have been used to see business done at all; it was so confused.

3337. Was the balance-sheet exhibited on that occasion?—It was.

3338. What proceedings were taken in reference to that balance-sheet?—It was referred to the four auditors; five auditors were appointed by that meeting, but one was afterwards rejected.

3339. Was your appointment as auditor acquiesced in by the meeting and by the consultation committee?—Yes, and by the consultation committee, after considerable negotiation.

3340. Did you proceed to the execution of your duties?—Not immediately, because of the delay that arose out of this negotiation: we did not begin till the 1st of April, 11 days afterwards.

3341. When you did undertake your duties, was fair access afforded to you by the consultation committee to the books and other documents of the company?—Yes; I am not aware that anything was withheld that they had the power to give us, that is to say, anything that they had that we asked for, any document.

3342. Were you freely allowed to interrogate their accountant and officers as to any explanatory circumstances that might be suggested in reference to their accounts?—Certainly, we were quite at liberty to do so, and did so.

3343. Who was the accountant on that occasion?—Mr. Thomas Brierly.

3344. Had he been long in their service?—No; in January last he entered their service; I believe it was January.

3345. To what period did the balance-sheet which you were to investigate refer?—It came up to the 25th of February.

3346. Then did it embrace a period anterior to the appointment of Mr. Brierly?—Yes, it did.

3347. Who was the accountant prior to Mr. Brierly?—A Mr. Mackenzie.

3348. Had you an opportunity of examining him in reference to that portion of the account which referred to transactions in his time and during his tenure of office?—No, we had not an opportunity.

3349. Did you consider that Mr. Brierly, without the aid of Mr. Mackenzie, was capable of giving you all the explanation which, as auditors, you felt it was your duty to require?—I think so, from a letter that I saw, or a copy of a letter that I saw, from Mr. Mackenzie, he himself did not know the state of things; he had on one occasion to require an indemnity from the board as to the statement that he was making to the public.

3350. And did he obtain it?—He obtained it; they exonerated him.

3351. In what state did you find the accounts?—In a very shameful state; I do not think that there was a single account that was in a proper position as a mere piece of bookkeeping.

3352. Now was there any account which showed the amount which had been paid up upon the respective shares, taking as an example the shares of so considerable

siderable a proprietor as you represent Mr. Hardie to be?—No, not that we could find; there was no detailed stock account.

3353. Mr. *O'Connell.*] With respect to Mr. Hardie's account, who was it stated to you that Mr. Hardie had taken shares to such an amount as to make his actual payment 20,000*l.*?—There were a number of individuals stated that; individuals who were aware to a very considerable extent of what had been done by that bank.

3354. Were any of those individuals persons belonging to the committee of management or head directors in Dublin?—I think Mr. Gresham was one, as he is one of the consultation committee; I have a strong opinion it was Mr. Gresham, as one party, who told me.

3355. Were the other persons present when this was stated?—No doubt they were, because it was matter of common conversation.

3356. And talked of publicly among the shareholders?—Yes, it was.

3357. Did you make a search then for that 20,000*l.* among the books?—No; we did not make a search for that specifically.

3358. Did you make a search for, or did you inquire where it was entered?—Yes; they could show us nothing.

3359. Did you also inquire where the entries were of the sums paid for shares?—Yes, we did, but that could not be shown us.

3360. There was no such entry?—No such entry that we found.

3361. No book in which any detail of that account could be found?—No, not that we could get to; we asked for it, and we were told that there was no complete statement; indeed, Mr. Brierly the accountant, to whom I just referred, stated, that in making up this half-year's balance-sheet to the 25th February, in consequence of the want of such a document, he had taken the amount as stated in the previous half-year.

3362. Did you require the production of any account showing the amount of promissory notes that were outstanding in circulation?—Yes; and we tried in all ways to get that, but found it impossible.

3363. Are the Committee to understand that no such record was kept?—Distinctly so.

3364. Did you require any explanation from the parties why an account of that importance was omitted among the records of the bank?—We asked for an explanation, but Mr. Brierly could give none.

3365. Did you ever inquire from any of the consultation committee?—Yes; and their answer was, as in most cases it generally was, that they had not at all interfered in the accounts, and that they could say nothing about it.

3366. From your acquaintance with the management of other banks, do you conceive it possible that the joint stock bank could be properly conducted without a stock account being kept, in which the payments on account of shares were regularly entered as against those shares, and in which, above all, the account of promissory notes issued and outstanding were not regularly kept?—Most distinctly; no doubt about it.

3367. The Committee have had before them a report of the auditors; for that you are responsible, with your brother auditors, are you not?—Yes.

3368. Since the period at which this document was furnished, have you had any reason to doubt the correctness of the statements which are contained in that report, or to vary in any degree from the suggestions you make?—None; on the contrary, I have seen a statement put out by Mr. Dwyer and confirmed by Mr. Brierly, which professes to be an explanation of that, but which only confirms me in the opinion of our correctness.

3369. You have seen that explanation?—I have seen it; yes.

3370. Then there is nothing in that explanation that could induce you at all to vary from the statement in the original report?—Not in the least: it may be proper to show you that statement [*the same was handed in*]. I think, if it is read over, it will be confirmatory, quite.

3371. Did you remain in Dublin the whole time you were in Ireland, or visit any of the branches?—We visited five branches.

3372. Which was the first branch you visited?—Kilkenny.

3373. In what state did you find that branch?—In a very rough state; very indeed.

3374. What do you understand by a rough state?—Books not complete, the

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balance of bills and the balance of cash incorrect, and a general looseness in the mode of doing the business.

3375. Was the incorrectness with respect to the cash, that the cash was less than was represented, or more than was represented?—Less than represented. I should like to offer an explanation with regard to that Kilkenny branch, if you will refer to the explanatory pamphlet there, or allow me to do it.

3376. It is stated in the report of the auditors that the Kilkenny branch hold securities to the amount of 606*l.* more than is returned; and the explanation that is given is, this difference was discovered by the auditors, when at the branch, to be accounted for as bills in the hands of the local law agent?—It was no such thing as that. The 606*l.* was what they are pleased to call in the return made by the branch, "other securities;" that is to say, it is cash that has been appropriated to some purpose or other, but not accounted for in the cash-book, and lays as a dormant in the cashier's till. The greater portion of this was owing by Mr. Baylee, the manager at Kilkenny; and when we visited the branch, it was over 300*l.* more that he had used. He said he would pay it the next Saturday, I believe, accounting for it that he had been paying some rents to a landlord for whom he collected. It was not in bills and cash. The other securities were simply the I. O. U.'s, so to speak, of the manager; and there were some few pounds in forged notes, and one thing or other of that kind.

3377. Were there local directors in conjunction with the manager?—Generally speaking, there were.

3378. But at Kilkenny?—No, none at Kilkenny, I believe.

3379. Then are the Committee to understand that Mr. Baylee borrowed this money from the bank on his own authority?—On his own authority; yes.

3380. And what security was given for it?—None.

3381. Were there any other circumstances connected with the mode in which accounts were kept at Kilkenny that in your mind appeared to be open to observation?—No, I think not.

3382. You have stated, I think, that there was a deficiency in the cash; that the cash was not correct?—The cash was not correct, inasmuch as there was this discrepancy; instead of being something like 1,200*l.* or 1,400*l.*, there was nothing, in consequence of the money having been appropriated.

3383. Was that brought by you under the consideration of the consultation committee?—Not by me; by the auditors it was.

3384. And the only explanation that they gave you was that one to which I adverted?—That is the only explanation.

3385. And that explanation, in your judgment, does not truly represent the fact?—Certainly not.

3386. What branch did you next visit?—The next was Waterford.

3387. How long did you remain at Kilkenny?—One day.

3388. Was that sufficient to enable you just to verify the facts?—Yes.

3389. Quite sufficient?—Quite sufficient.

3390. You next visited Waterford?—Waterford.

3391. Who was the manager at Waterford; do you recollect?—A Mr. M'Grath.

3392. Was there a board of local directors to assist him?—Yes, there was.

3393. In what state did you find the accounts at Waterford?—Much better than at Kilkenny; much better altogether at Waterford than at Kilkenny.

3394. Were the accounts in what you could consider a satisfactory state?—Yes, I should say so.

3395. Did you verify the amount of their cash and the securities which they returned?—Yes.

3396. And did you find them correct?—There was a very trifling amount of those "other securities" there; it was not in money lent there; it was in forged notes, and such matters as those. Things there, I thought very favourably of, on the whole.

3397. Did you find, at these two branches which you visited, any record kept of the amount of notes which they had in circulation?—No.

3398. Do you not consider that that was an essential thing?—Quite essential.

3399. Had you reason to examine whether the notes issued at these respective branches were the notes only which were dated and made payable at such branches?—No, we had not. We made inquiries, and in every case we were told that there had been no issue by them whatever since November, the period of the stoppage of the bank; but on our return, we were informed, as it is stated

in

in that explanatory pamphlet, that some of the branches did issue after that period, in endeavouring to account for the excess of retired notes from the 25th of February over that of the estimated amount outstanding, 5,000*l.*

3400. Mr. *O'Connell.*] After the 25th of February?—After the 25th of February.

3401. *Chairman.*] Are the Committee to understand they stated that, subsequently to the stoppage of the bank, there had been issues on the part of some of the local managers?—Yes.

3402. What branch did you next visit?—Cork.

3403. Who was the manager there?—Mr. Tarleton.

3404. Was there a board of local direction at Cork, as there was at Waterford?—No.

3405. The affairs of the bank there were left in the hands of the bank officers exclusively?—Of the bank officers exclusively.

3406. In what state did you find the accounts there?—Very bad indeed; very bad.

3407. What were the defects that were evident on the face of the accounts?—The irregularity in the bookkeeping; and previously to Mr. Tarleton's taking office as manager, and Mr. Clifford as accountant, there was the grossest peculation going forward.

3408. How was that peculation proved?—Mr. Clifford, who is a very clever man, finding the books in the condition that they were, set about to break them up, and to reform them, or at all events to bring them into a proper position; and in doing this he found that an interlined entry had been made by a former cashier, of a sum of 300*l.*, stated to have been paid by Mr. Bennett, the former manager, on account of shares which he had taken in the stock of the bank: being an interlined entry it led to considerable inquiry; and after a time the cashier acknowledged that he had not received one farthing of that 300*l.*, but that the scrip of the stock was put into the till as the representative of the cash, and then Mr. Bennett got another 300*l.* upon that stock, a second advance, making 600*l.* of actual advance to him without any security. We also found that, I think in December last, he had advanced his own salary, and that of every officer in the establishment, from the commencement of their engagements, not from the moment, not from that date, the 25th of February, but from the date of the commencement of their engagements, and paid them the money from that time; and this without the consent or cognizance of the consultation committee, or anybody else.

3409. By advancing their salaries, are the Committee to understand increasing the amount of their salaries without authority?—Yes; he did that without authority.

3410. And making that increase retrospective?—Yes.

3411. Mr. *O'Connell.*] A retrospective augmentation?—Yes.

3412. *Chairman.*] How did the facts come to your knowledge?—They were pointed out to us by Mr. Clifford, the accountant.

3413. Were these statements made known to the consultation committee?—Yes; the consultation committee knew before we left on our visit to these branches.

3414. Did they give any explanation of the facts?—None at all to us.

3415. Did you find the account of cash and the amount of securities returned in the hands of the Cork branch to be correct?—No; the cash was within a little: there were some I. O. U's, 30*l.* or 40*l.* I think, that were wanting; but according to the return of Mr. Tarleton, up to the 25th of February, there was a deficiency of upwards of 7,000*l.* in the bills of exchange, accounted for thus, that these bills were sent to the consultation committee as bills for inspection, they were sent by the consultation committee to their different friends for collection, and not accounted for to the Cork branch, and still remained apparently as assets there, and yet they formed a part of the assets of the head office.

3416. Then the result was, that a double credit was taken?—Yes, just so.

3417. A credit at the branch, and a credit also at the head office?—Yes.

3418. If the accounts at the head office had been properly kept, and the returns from Cork had been duly called for and made, would it have been possible

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sible to fall into so gross and obvious an error as taking credit twice for the same security?—I cannot conceive it.

3419. Was there at Cork any record of the amount of notes in circulation?—No.

3420. Were there shares issued at any of these branches which you visited?—All shares were issued by the head office, but there were shareholders in each place.

3421. But no shares issued through the branches?—No.

3422. What other branch did you visit?—Limerick.

3423. Who was the manager there?—Mr. Morgan.

3424. In what state did you find that branch?—The books appeared to be very regularly kept.

3425. In that case there was a board of local directors?—Yes.

3426. How did the cash and bill account stand, as compared with your own verification of it?—They stood correct; there was no difference worth remarking.

3427. In that case, as in the other, was there an absence of all record of the promissory notes put into circulation?—Yes.

3428. Did any circumstances strike you in your inspection of that bank which appear deserving of the special notice of the Committee?—No, I think not. There was the general fact, that the quality of the bills discounted was of such a very bad character; but that applies to all.

3429. Mr. *O'Connell.*] Did it appear to you that the acting directors in Limerick had become shareholders?—Yes, Mr. Watson is a shareholder; but I only know that from report.

3430. You do not know whether he executed the deed or not?—No, I do not.

3431. You do not know whether he had paid for any shares?—He had paid for shares.

3432. How do you know that?—We made the inquiry directly from the manager, "Had Mr. Watson paid for his shares;" it was a question we asked at every branch, if all the shares were paid for that had been taken at that branch by shareholders.

3433. And was there any return or entry in the books of Mr. Watson being a shareholder?—Not that we saw; we only had it from report; from a verbal statement that Mr. Watson was a shareholder.

3434. Did you ask him himself?—No.

3435. Was he present when you were so told?—No, he was not in the room more than five minutes, if that.

3436. What capacity did he represent himself to be in during the time he was in the room?—He did not represent himself as being in any capacity there. He came into the room and sat with us a few minutes, but abstained, as it appeared to me, purposely from taking any part in what we were doing.

3437. So that, exclusive of the mere verbal statement of the manager, you had no trace of Mr. Watson being a shareholder at all?—No; there was the general fact, that he took his seat at the head office board, which I apprehend involves his being a shareholder, but I do not know it from any documentary evidence.

3438. That is merely an inference?—Merely an inference.

3439. He is reputed to be a wealthy person?—Yes, he is reputed to be a man of some property.

3440. *Chairman.*] What was the next branch you visited?—Ennis.

3441. Who was the manager there?—Mr. Maguire.

3442. Was he aided in the discharge of his duties by a board of local direction?—No, I believe not.

3443. He acted singly?—Yes.

3444. In what state did you find the accounts at that bank?—Not so good as at Limerick or Waterford, but still, better than at Cork, and I think better than at Kilkenny.

3445. How did the account of cash and securities stand when you compared your verification with the books?—It was nearly correct; not worth making any notice of.

3446. Were the accounts tolerably well kept there?—Yes, tolerably well kept.

3447. Were

3447. Were there any particular observations which you made there, which you would wish to lay before the Committee?—No, none; because I understand bills will be spoken of presently.

3448. Did you visit any other branch?—No.

3449. Did you select these branches for special visit, or did you take them accidentally?—No, Mr. Dundas, who knows so much of Ireland and these places, selected a number, deeming them to be such as would be a fair representative of all.

3450. Therefore, they were selected by the auditors themselves?—Yes, and the route determined upon before we went out.

3451. Without inspecting the branches, did you pass through any of the other towns in which branches were held?—We passed through in travelling, but only in travelling; not to make any stay.

3452. But from the character and appearance of those towns, did it occur to you that it was wise or expedient to establish banking establishments in them?—I think not.

3453. Now speaking generally, what was the character of the securities and of the notes discounted at these branches?—They were generally promissory notes by one or more parties; all sums from 30*s.* to about 20*l.*; I think that would be the average amounts; and the smaller amount of the bills would preponderate in their number.

3454. Did you form any judgment as to the propriety of conducting a bank upon the principle of discounting securities of that description?—Certainly I did: I should certainly not have thought of such a thing as discounting any one bill that I saw myself. The bills that were then current were only renewals of such as had been paid at their maturity.

3455. Is there any account kept at these branches, distinguishing which were bills of renewal from bills which were issued in the first instance upon real transactions?—No.

3456. Had you any opportunity of ascertaining, at any of these branches, whether any, and to what extent, legal proceedings had been taken against the parties to these bills?—No; the head office had issued orders some time ago, that they would institute proceedings in all cases; in a few instances the managers had got permission to give over one or two of the outstanding bills, overdue bills, to the solicitor on the spot, but they were very rare indeed.

3457. Recurring now to the balance-sheet, as it was produced before the general meeting, what observations would you make as to the nature of that balance-sheet, and the degree of faith that might be attached to it?—Now?

3458. Yes?—Certainly, no faith at all.

3459. Did Mr. Brierly make to you any observations with respect to the state of the accounts of the bank?—Yes; you mean as to the bookkeeping, I presume?

3460. Yes?—He did; he made the observation on our requiring some accounts from him, that he could not furnish them; and indeed, in making up his own account, the balance-sheet, he had been obliged to resort to the branches to get what information he could to make it out; and he corroborated that by saying, that if any banker or others, who had kept an account with them, were to furnish a statement of that account, showing a directly opposite result to that exhibited in their books, that he would take it in preference. It was a remarkable observation to make.

3461. He stated that?—Most distinctly.

3462. Did he state that in the presence of the consultation committee?—No; only ourselves, the auditors.

3463. What would they understand by "suspense accounts"?—They explained that, by saying, that, during the confusion arising out of runs upon them, the consultation committee had to take bills, if they could get them, and without making any registry as to how they were disposed of, take them away from the bank and get them discounted, to provide money; that a very serious sum was deficient, and they could only put that into suspense, waiting the discovery of other errors to balance that.

3464. Is the meaning of that explanation that they allowed bills, the property of the bank, to pass out of their possession without an entry in some book?—Yes.

3465. By which the whole transaction was to be explained?—Just so.

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3466. Was that carried to any extent?—Yes; at one time to a very considerable extent; and on the 25th of February a very unpleasant (not to use a very much stronger term) occurrence of that kind happened; they discounted a sum of about 22,000*l.* of bills with a Mr. Robert Gray of Dublin.

3467. Mr. *O'Connell.*] A money broker?—Yes; the proceeds of this were given to them in bills having a certain currency; I forget the currency: these were remitted on Saturday night, the 25th of February, to pay the bankers in London, the London and Westminster, and Sir J. W. Lubbock & Co., and Prescott, Grote & Co.; now they do not let it appear in their accounts of the 25th of February that they owe this money to the bankers, but they keep on the account the bills that they had previously taken to discount; so that it makes a deficiency in the assets of 22,000*l.*, or thereabouts.

3468. They still continuing to take credit for the bills as if they had them in their hands?—Yes; as if they had them in their bill-case.

3469. *Chairman.*] But did they take credit at the same time for the payment to the bankers?—Yes, they did.

3470. You are clear of that?—I am perfectly clear of that; we examined into it most minutely; and if you refer, you will find they give the same explanation there in that pamphlet.

3471. Will you just turn to that?—They only wished us to put it in another form in our statement.

3472. In the statement of the auditors, it is set forth that the current bills at the head office were over-estimated by 21,819*l.*; now the explanation given upon that subject is that, "the bills were re-discounted previous to the day of closing, for the more speedy discharge of bankers' accounts, but were omitted to be discharged until 27th February; the auditors were made acquainted with the transaction, and were requested to introduce the bankers' balances so discharged as a set-off against the bills. Owing to the explanation, the words 'over-estimated' were rather unfavourably introduced, and indeed unnecessarily." Are the Committee distinctly to understand from you, that, whilst the amount of the bankers' balances was reduced by the amount of these bills, that at the same time the amount of the security account was not diminished in the same proportion?—Yes.

3473. Now it appears in that the differences of the bankers' accounts, in 10 accounts furnished by bankers, the result is a difference, to the prejudice of the assets, of 8,775*l.*?—Yes.

3474. Now, upon the statement of Mr. Brierly, would not the bankers' account be a better voucher than an account of the Agricultural Bank?—Yes, it would; and we have those bankers' accounts: we wrote a circular to a great number of bankers and others keeping large accounts, requesting a statement, and that is the result in part.

3475. The aggregate amount of bills and cash credits being 290,000*l.*, how much do you estimate the probable losses?—If I were to give an individual opinion, I should say that I would not give 5*s.* in the pound myself. But we, as auditors, did not feel ourselves at liberty to come to any deliberate estimate of them.

3476. But what were you inclined, as auditors, in your collective capacity, to form as a rough estimate of their probable amount?—We did not come to anything like that; we purposely refrained doing so: we were asked the question at the meeting, when the auditors' report was read, "How much did we suppose?" and Mr. Dundas's answer was, 100,000*l.*, he had no doubt, was the amount of the losses.

3477. Now do you know at how much the consultation committee have estimated those securities?—No, I do not; they have taken all the over-due bills as available to the full amount, although they are quite aware that some of them have been over-due as long as 12 months ago last March.

3478. Did they not state to you upon what principle they formed their profit and loss account, and upon what principle they declared their dividend?—They could not do it; they could not show us any account, a dividend account, or a profit and loss account.

3479. Did it appear that no such account whatever had been kept?—No; there was a heading, I believe, for profit and loss, but nothing further.

3480. And did they explain to you upon what principle they were to declare the

the dividend?—No; Mr. Brierly had not anything to do with the dividend; he could not, because of not having been in their employ but for a very short period; and, as I said before, the directors one and all stated that they knew nothing at all of what was doing.

3481. In their balance-sheet, they state the property of the bank in houses, &c., to be worth 29,000*l.*; were they enabled to show you from what element that account was formed?—No; we wished to ascertain that particularly, but we could not get anything from them. Mr. Brierly stated he had added a sum of 700*l.*, for some property that had been bought, to the amount given as the value in October 1836; but he could not tell upon what data that estimate had been founded at all.

3482. Did you apply to the consultation committee upon that subject?—Yes; we were told that Messrs. Emerson and Cordukes, two gentlemen from Belfast, I believe, had examined this identical item in the October report, and were perfectly satisfied with its correctness.

3483. Was there not a sum paid by the shareholders of 1*s.* in the pound, as an outfit, to meet the expenses of the first establishment?—Yes.

3484. Did you examine into that expenditure as well as into the amount which was produced by that contribution?—We could not, for want of means; there was no account kept of it: on asking about it, we were told that they believed the outfit account (1*s.* per share) was distributed over various accounts; part of it might be, they said, included in the stock account, and part gone to profit and loss, part to charges; they knew nothing at all about it in fact.

3485. You stated that part might have gone to stock account?—Yes.

3486. Was there any stock account kept?—No, not that we saw; this was the statement that was made in explanation.

3487. Mr. *O'Connell.*] Which explanation was most unsatisfactory?—Yes, as they all were; all explanations that we got.

3488. *Chairman.*] Was there any distinction made in their bill accounts, between bills over-due and the bills which were current?—Yes, there was that.

3489. Were the bills over-due considerable in point of number?—Yes, very considerable; I can tell you the amount: 114,000*l.* past-due bills at the head office and branches.

3490. Were those returned in the ultimate balance-sheets as assets to the full amount?—Yes, to the full amount.

3491. Do you consider that any bank would be justified in returning as assets, available at the rate of 20*s.* in the 1*l.*, the over-due bills of their establishment?—No, certainly not.

3492. Were there any considerable sums of over-drawn cash account without collateral security?—Yes, there were; I do not know the individual amounts; I can tell you the general amount, 83,000*l.*

3493. Were those also returned as available assets?—Yes.

3494. Do you consider that the balance of over-due accounts can ever be considered as available assets in the hands of the bank?—Not immediately available, I should say, certainly; I can think of over-drawn accounts being available ultimately, and perhaps almost immediately, but certainly such as we saw here, I should say not so.

3495. Had any efforts been made by the company, from the commencement of their difficulties, to call in the amount of those over-drawn accounts?—Yes, I believe there were no means spared to get in as much as they could.

3496. Were those successful?—Yes, they got a good deal in, I believe, but I do not know the amount.

3497. Do you know anything of whether that gentleman, whom you have named in a former part of your examination, Mr. Bennett, as having been the manager at Cork, and having interlined the entry, whether he is engaged in banking now?—I believe he is; I was informed that Mr. Mitchell, formerly the head manager of the Agricultural and Commercial Bank, has set a-going a joint stock bank in Cork, called the Southern Bank of Ireland, and that Mr. Bennett is his manager.

3498. Mr. *O'Connell.*] You have not heard that they have began to issue notes yet?—No, I have not yet heard that they have began to issue notes. Mr. Mitchell told me himself he should certainly open in the early part of the month

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of May, and I believe he has opened, but I do not know that he has issued notes; he may or may not.

3499. *Chairman.*] Did the consultation committee afford to you any explanation with respect to the mode in which these accounts were generally kept, or explain to you what degree of superintendence and control they themselves exercised over the accounts?—They did: we thought it only right to have some conversation with the consultation committee, or a portion of them, on that particular; and Mr. Dwyer and Mr. Jones waited upon us on that account. Mr. Jones stated distinctly, that he had endeavoured to examine into the state of the accounts, but he found them in such confusion that he was obliged to give it up; he could make nothing whatever of it. Mr. Dwyer said that he had never thought of such a thing as looking into them; that he had no notion of it. The Lord Mayor afterwards came up, and he expressed himself in the same manner, that they had paid no sort of attention to the keeping of the accounts, himself and others; there had been an attempt made, he was aware, to investigate them, but they could arrive at nothing.

3500. Do you consider it possible to carry on so large an establishment as a bank with so many branches, unless the superintending and controlling committee or board exercise a strict and vigilant control over the accounts of the subordinate departments?—It is not possible, I should think, to carry it on.

3501. Did you inquire whether any peculiar facility was given at the branches to the shareholders of the establishment, in the way of giving them advances or discount of bills?—In discounting bills; the great inducement held out to them was the discounting of bills.

3502. That was held out to them as an inducement to take shares?—To take shares: in very many instances the payment of the shares was by bills, and constantly renewing them; as for instance, there was one gentleman at Waterford, a Mr. Potts, I think his name is, who had given a bill for 1,000 guineas since the bank was established, renewing it constantly for his shares. It was only the other day, when I was at Waterford, that Mr. M'Grath, the manager, exhibited the renewed bill he had just taken, and he said he had taken it pledging himself that at the expiration of that bill's maturity it should be renewed.

3503. Did you examine the state of Mr. Potts's account upon that occasion?—No, he did not appear to have any account; this was a solitary transaction; his name was of importance to the bank, and giving him the shares was the means of getting his influence.

3504. In the cases where bills to a very small amount were discounted, were any of those parties considered to be shareholders?—Yes, many of them: one or two shares they held, or something of that kind.

3505. Do you consider that a just and legitimate application of the joint stock principles of banking?—No.

3506. In so far as it is objectionable, does not the objection apply with still greater force where shares are of such small value as those shares of the Agricultural Bank?—Yes, it certainly is much more objectionable than when the shares are of a higher value.

3507. They were 5*l.* shares, were they not?—£. 1 shares.

3508. Do you think that raising a capital for a bank upon 5*l.* shares is a mode of proceeding which is safe, by the bank itself, or advantageous to the community?—No; because it appears to me there is nothing to go back upon.

3509. In what respect do you consider it to be inconvenient?—That if in your business transactions your money becomes swallowed up by discounts or any other means, you have then no resources left you in case of emergency, in the shape of another call, which it is always desirable to have, in my opinion.

3510. Do not you conceive that, in the transactions of the Northern and Central Bank of England, their position would have been infinitely better if the full amount had not been paid up, but that they had still the power of making a further call on their shareholders?—I do, certainly.

3511. Do you think that if their capital had been raised upon shares of 100*l.* or 50*l.*, upon which 25*l.* had been paid up, that parties would have preferred paying a further call of 5*l.*, to forfeiting the shares upon which that deposit had been made?—I have no doubt of it.

3512. Do you consider that the character and description of the proprietor is likely

likely to be better or worse by reason of having such small shares as 1*l.* or 5*l.*?—Worse, I think.

3513. In proportion as the shareholders are improved in their character of wealth and intelligence, do not you think the security of the bank is also augmented?—Augmented in a very great proportion.

3514. Did you make any inquiry as to the amount of stock which was subscribed for before the Agricultural Bank commenced its operations?—We did not; we did not make any inquiry as to that.

3515. Mr. *O'Connell.*] In the small shares, did you find that the transaction assumed this shape, a small note or bill being discounted, and the 1*l.* taken out of it with the discount, and the balance handed to the party becoming a shareholder?—Yes. I believe that at Ennis, I think it was at Ennis, if I mistake not, we had the case brought immediately before us; I believe it was at Ennis: I did not take any note of that. I have no doubt whatever that such transactions did take place; none whatever.

3516. The shares were 5*l.* and 1*l.* paid?—Yes.

3517. Then when you used the words, "1*l.* share," you meant a 5*l.* share, 1*l.* paid?—Yes, I did. The payment of 1*l.* being so low was in order to enable the small farmers and men without any property to hold shares.

3518. And they had then the temptation of getting a discount?—Yes.

3519. By becoming such shareholders?—Yes.

3520. These persons might become shareholders at once, without any interference with the head office?—No; as far as we understood, all shares were granted at the head office, and at no other place; that is to say, the application was made through the manager to the head office, and some other party at the head office appropriated the shares; the payment for them occurred at the branches.

3521. And in transactions of that nature, the manager at the particular branch applied for the shares to the committee of management above?—Yes.

3522. Then did you know of any instance of a refusal of shares?—No.

3523. Mr. *Jephson.*] Does it not come to this; the manager at the branch bank had it in his power to distribute as many shares as the central committee allowed him, without reference to the central body as to the individuals to whom he chose to distribute them?—No; as far as my knowledge of the matter goes, I think not.

3524. Could not any individual become a shareholder by going into the bank and discounting a bill, and leaving 1*l.* for that bill as the payment of the share?—If he had previously had a grant from the board, but not else, as far as I have understood the matter from the beginning.

3525. *Chairman.*] When the bank itself becomes the means, either by discount or otherwise, to advance capital to its own shareholders, upon which advances they become proprietors, is not the whole transaction, the giving capital to the bank, an entire and complete delusion?—Completely so; it is no payment of capital.

3526. Mr. *O'Connell.*] It is no capital?—It is no capital.

3527. *Chairman.*] Do you consider that in the event of any alteration of the law, it would or would not be expedient to take security that a certain amount of shares was subscribed for *bonâ fide* before a bank was allowed to commence its responsible operations?—I think so; it would be most advisable.

3528. Do you not conceive that it would be desirable to go a step further, and to see that not only those shares were subscribed for, but that some given and definite proportion of capital was actually paid up on account of those shares?—Yes; most distinctly.

3529. Acquainted as you have been with the defects of this company, are any of those defects to be traced to the deed of partnership, and the provisions which it either contains or omits?—Yes, I think so; and it has occurred to me, that should Government legislate on the point, it might be well to appoint an individual of high eminence in the law to supervise all deeds of settlement.

3530. At the present moment you are aware that the proprietors of joint stock bank stock very frequently take those shares without knowing what the deed of partnership is?—They do.

3531. Have you any doubt as to that?—No doubt whatever.

3532. Would not your observation, both in England and Ireland, lead you to the same conclusion that many persons become purchasers of bank stock

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without ever inquiring or examining what the obligations are which they contract with reference to the deed itself?—Yes; that is my conclusion.

3533. Then, for their security, would it not be expedient that some revision of those deeds of settlement should take place before a bank began its operations, to see that they were founded on just and equitable principles?—Certainly, that would be the object I had in view.

3534. You are aware that applications are now made to Parliament for the purpose of enabling this company to dissolve itself?—I have been told so; yes.

3535. Are not those applications founded upon the supposed defects of the deed of settlement itself?—In part, and in part the gross mismanagement of the parties in whose hands it is done at present.

3536. Mr. *O'Connell.*] Are you aware that they are also founded upon a defect in the law?—No, I am not aware that that is one of the reasons of the applications.

3537. Are you apprised that to dissolve a joint stock partnership, if disputes arise between the partners themselves as to whether the terms of the deed were complied with or not, the only tribunal to dissolve is a court of equity?—Yes.

3538. Are you aware that there is this defect in the law with respect to a suit in equity between joint stock partners, that all must be made parties to such a suit?—Yes, I am aware of it.

3539. And you at once perceive the great inconvenience there is of a suit instituted between such a number of parties?—Certainly.

3540. Are you apprised that it is next to an impossibility, if not an actual impossibility, to work through a suit of that kind?—I am apprised of that.

3541. Mr. *Hamilton.*] Can you state the particular defects of the deed of partnership to which you alluded?—No, I cannot; I have not read it with sufficient attention to be able to do that.

3542. Mr. *O'Connell.*] If a deed of partnership provides for a dissolution, it must be through the medium of some public meeting or general meeting of the shareholders?—Yes, it must.

3543. Then if the shareholders differ among themselves about the regularity of that meeting (the mode of its being called), the only way to settle that difference is a suit in equity?—Is a suit in equity; proceedings of that nature have been taken with regard to this present establishment.

3544. And I believe found very inefficient?—Very inefficient indeed.

3545. *Chairman.*] From your experience of joint stock banks, do you consider that the system adopted with respect to the furnishing of the balance-sheet, and the verification of the statements it contains, are satisfactory?—I hardly think they are. I think that the public require more knowledge than is given, and therefore I have thought that auditors ought to be appointed in every case, and those, unbiassed, unprejudiced individuals.

3546. In suggesting the appointment of auditors, you would suggest them as a check on the board of management, and upon the practical accountants?—Just so.

3547. And therefore they should be appointed wholly independent of such influence?—Yes.

3548. Do you not consider it would be a check on the proceedings of joint stock banks, if previously to the declaration of the dividend, the report of such an independent board of audit as you have suggested should be first made, so as to ascertain the dividend is made out of the actual profits of the bank?—I think so.

3549. If a bank declares a dividend not out of its banking profits, but out of profits derived from the sale of stock or premium upon shares, or accidental circumstances of that description, do you think such a dividend is a dividend which ought to be made?—I think it might. The only alternative would be, that the premium given upon shares would be at once put as part of the capital stock of the company; if not, then I think that a dividend may be fairly paid from that, or it might be given in that shape, the bank stating at once that it was so.

3550. Ought not the account laid before the proprietors, and upon which a dividend is to be declared, to state to the public the amount of banking profits?—Yes.

3551. And without such account, do you think that the proceedings upon which the dividend is to be declared can ever be just and satisfactory to the proprietors?—I think not.

3552. Mr. *O'Connell.*] That is, the facts, whatever they be, should appear in cyphers before the public?—Yes, just so, before the public, and authenticated by some unbiassed, unprejudiced party.

3553. *Chairman.*] Without such authentication, or without the power of enforcing such authentication, if required, do you think that the mere publication of the accounts would in itself be sufficient?—I think not.

3554. Mr. *O'Connell.*] It would be liable to deception and fraud?—I think so; I have seen it, and I am inclined now to alter an opinion I formerly held.

3555. *Chairman.*] Do you consider that a bank having large engagements, more especially if it is bound to meet engagements at extended and numerous and distant branches, conducts its business with prudence or caution, unless it has a certain proportion of its capital invested in public securities?—I think not; and I would therefore prefer a large paid-up capital, with a view to that investment.

3556. During the period of the difficulties of the Agricultural Bank, had they any proportion of the very considerable capital which they state themselves to have received invested in public security?—They had a sum of 13,800*l.*, I think, invested in Royal Bank of Ireland stock.

3557. Do you consider that in the nature of public security?—I consider it in one sense of the word, public security; it is an investment in property apart from their own, and for which they have actually paid money.

3558. But was it as available, in a time of exigency, as money invested in government securities would have been?—Not so immediately.

3559. You are aware, by many of the deeds of partnership, banks are required to create a reserved fund to meet unforeseen contingencies?—Yes.

3560. And that such reserved fund is in fact reported to their shareholders periodically?—Yes.

3561. In such an event, do you consider it would be desirable that such a reserved fund specifically should be invested in government stock, so as to keep it distinct from every ordinary operation of the bank?—Yes, because that becomes absorbed, and it is not available unless it be invested.

3562. If it be absorbed in the ordinary transactions of the bank, it forms in fact no reserved fund at all, but is like their other assets?—Yes, just so.

3563. You have alluded to the amount of Royal Bank stock which was held by the Agricultural Bank; was any explanation given to you as to the circumstances which induced them to hold that stock?—Yes, we spoke with Mr. Dwyer and Mr. Jones on that subject.

3564. What explanation did they give you?—That in order to secure a preponderance of votes in the choice of directors for that company, the directors of the Agricultural and Commercial Bank took these shares, and so they got a portion of their number in as directors; that they were in fact directors of the Agricultural and of the Royal Banks at the same time.

3565. Have those been converted into money to meet the engagements of the bank?—We have been told so since that they are; they are not sold, but deposited as collateral security, with Boyle, Low, Pim & Co.

3566. Had you reason to confide in the accuracy of the statement of amount of paid-up capital which the Agricultural Bank represented they held?—No; I confess I do not confide in their statement.

3567. In as far as the bank itself might have advanced capital, as in the case of Mr. Potts, must not that account have been delusive?—It must completely; entirely delusive.

3568. Had you any means of investigating how far that principle had been carried on; how far the actual sum stated to be paid upon shares was the *bonâ fide* money of the shareholder, paid for the benefit of the bank?—We had no means of ascertaining that.

3569. Did you seek to obtain that information?—Yes, we sought for a general stock account, in order to arrive at certain other facts, such as the amount of capital paid up at two or three different dates.

3570. Mr. *O'Connell.*] Which you found no trace of?—No trace at all.

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3571. *Chairman.*] From your experience in banking, do you consider that the difficulties and risks of a bank, and the necessity of prudential and careful management, augment very considerably in proportion to the number of its branches, and the distance at which those branches are?—Unquestionably.

3572. Have you had communication with your co-auditors at various times, since your separation?—We have communicated, but not on this business at all.

3573. But you have no reason to believe that they have varied or abandoned the opinions which are stated on the face of their report?—I have no reason whatever to believe that, none whatever.

3574. Mr. *O'Connell.*] Then, according to your view of the concern, it could not possibly be worse conducted than it was?—It could not: I was quite unprepared to see anything of the kind.

3575. It seems to have every fault that a commercial concern can have?—It does appear to have every fault.

3576. *Chairman.*] Had their capital been double or treble what it was, under the system of management which they adopted, do you consider they could have carried on their transactions with any favourable effect?—It would have been frittered away; they had not sufficient control over it.

3577. Had you any means of observing what the effect was that was produced, by the advances upon these small notes, upon the commercial transactions of the different towns in which these advances were made?—No, we had not any means of noticing that.

3578. Mr. *O'Connell.*] Did you make the inquiry specifically of any of the consultation committee, as to what capital their bank opened with?—No, I did not.

3579. Of course that was a subject you would have investigated, if there was any possibility of doing it from the books?—Yes, if we could have got it from the books, we should have examined into it, because we wanted to know the amount of paid-up capital at certain other dates, as well as to verify the amount as stated in their report.

3580. And in short, there was no trace of any entries that could enable you to see what the paid-up capital at any one period was?—No.

3581. *Chairman.*] Having alluded to the meeting of the 20th March, will you have the goodness to describe to the Committtee the meeting that took place on the 17th of April?—Why it was a scene of uproar from morning until night, of fighting and swearing, and calling each other . . . . instead of doing business; it was with the greatest difficulty the auditors' report could be permitted to be read, and then they listened very patiently indeed to Mr. Dwyer; but otherwise, it was a scene of confusion.

3582. *O'Connell.*] It amounted to something very like a riot, if it were not a riot?—Yes, it did indeed.

3583. *Chairman.*] Do you mean by fighting, that there were actual blows struck?—Yes, actual blows struck: I believe the Lord Mayor was struck, assaulted; they broke the branches of the chandelier, and made terrible work indeed; I never saw such.

3584. Mr. *O'Connell.*] The Lord Mayor was thrown off the table, was not he?—Pulled off; he was obliged to get the city protection, not of the police, but of some constables.

3585. *Chairman.*] Was that a meeting representing itself to be a meeting of shareholders?—Yes.

3586. What description of persons did they appear to be who were guilty of such irregular conduct?—There were some very respectable men among them apparently, and there were some farmers and others, and they were very much excited indeed, that class. It appears that many of them had embarked all their little savings in the Agricultural and Commercial Bank; and seeing their money going away so fast, it put them beyond themselves rather.

3587. *Chairman.*] The character of the meeting then was such as to preclude all calm deliberation or investigation of accounts?—Yes.

3588. If the ultimate resort of a joint stock bank be to have a meeting of its shareholders, is not the chance of turbulence, such as you have described, greatly augmented if the shares are very small, and the amount paid up on those shares trifling?—

trifling?—Yes, for the reason assigned before; the quality of the individuals is not of sufficient standing; their education and their habits are so opposed to anything like deliberation and investigation.

3588* Mr. *O'Connell.*] They have not commercial habits?—No, not in any respect.

3589. And cannot very well comprehend commercial details?—No.

3590. Mr. *Hamilton.*] Under the head of character of bills, you spoke of 30*s.* promissory notes; did they form at all a considerable proportion of the securities of the branch banks?—I should say, from that sum up to 20*l.*, the bills were, with very few exceptions indeed; perhaps I saw two or three of 100*l.* each, and the bill for 1,000 guineas that I spoke of just now, Mr. Potts's bill.

3591. But I mean of the smaller description of bills, did they go down so low as 30*s.*, and form a considerable proportion of the securities?—Yes, I should think they would, from the evidence we had at the five branches we visited.

3592. Are you a shareholder in the Agricultural Bank?—No.

3593. You visited none of the northern branches, I believe?—No.

3594. Was the Agricultural Bank indebted to the Northern and Central Bank, are you aware?—Yes, it was.

3595. Had any local bills of their country branches been deposited in that bank as securities?—There was a pretty large amount, but I forget it just now.

3596. Mr. *O'Connell.*] Are you quite certain of your recollection, that there were bills discounted under 5*l.*?—Yes; 3*l.* was a very common amount, at Ennis particularly.

3597. That is a subject upon which you cannot be mistaken?—I cannot be mistaken.

3598. Mr. *Hamilton.*] A bill so small as that would be sure to attract your attention and observation?—Yes.

3599. Mr. *O'Connell.*] Do you know whether it appeared that the persons for whom those bills were discounted were shareholders?—It appeared so.

3600. Then they would have had to pay 1*l.* out of the 3*l.* for their share?—Yes.

3601. And get 2*l.*?—Yes.

3602. Less the discount?—Less the discount.

3603. Mr. *Hamilton.*] Was your appointment on the 20th March generally acquiesced in?—Yes, there was no objection to my appointment at all.

3604. *Chairman.*] Was Mr. Hardie a party at all to your inquiries and examinations?—No.

3605. He returned to Manchester?—He returned to Manchester in a very few days after the 20th of March.

3606. Mr. *O'Connell.*] Do you know whether he had been very active in disposing of shares in England?—I am not aware that he had. He was made a sort of referee by Mr. Mitchell, the manager of the bank; and they had made up such coloured statements to him as justified him, if he were asked the question, to say he thought it would be a good thing; but I do not know in any case that he recommended it. Mr. Mitchell was frequently over in Manchester, and sold the greater proportion of the shares held.

3607. Mr. *Hamilton.*] Who was Mr. Mitchell?—The former manager of the bank; now he is the man who has got to the Southern Bank of Ireland.

Martis, 6° die Junii, 1837.

MEMBERS PRESENT.

Mr. O'Connell.	Mr. Jephson.
Mr. Chancellor of the Exchequer.	Mr. Pattison.
Sir James Graham.	Sir John Wrottesley.
Mr. Hamilton.	

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

Mr. *John Crosse,* called in; and Examined.

Mr. *John Crosse.*

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3608. *Chairman.*] WHAT is your situation?—I was the general inspector to the Agricultural Bank.

3609. How long did you fill that office?—From July to November last year, 1836.

3610. Had you not been in their employment prior to that time?—No, I had not.

3611. Had you been engaged in any banking operations prior to that time?—Many years ago; not for the last 13 years.

3612. How long back?—To the year 1823.

3613. In what bank had you been then engaged?—Messrs. Paine & Co., the Wells bank.

3614. In that former situation, you had acquired experience in banking?—Yes, I had considerable experience; I was the cashier of the bank.

3615. Were you the first inspector appointed by the Agricultural and Commercial Bank?—No, I was not; I understood they had two or three other inspectors prior to me.

3616. What were your duties as inspector?—To inspect the branches to see that they were in a correct state, and to see they were doing the sort of business which was advantageous, and that the past-due bills were not neglected, and so on.

3617. Had you any written instructions to guide you?—No, I had none; it was left entirely to myself merely to inspect the branches.

3618. Did you make any written reports to the committee in Dublin?—My reports were all written.

3619. In the course of your official duties, did you visit many of the branches?—I visited nearly the whole of them, except Enniscorthy, Omagh and Enniskillen; I think those were all previous to the suspension.

3620. Did you visit any of these more than once?—Some of them twice.

3621. Had you, previously to your undertaking the duties of visiting the branches, made yourself master of the mode in which the business was transacted in Dublin, and the character of the reports and statements which were sent up by the branches to the central office in Dublin?—Yes, I had employed myself a considerable time in examining those: I was thoroughly acquainted with them before I went to the branches.

3622. Did you consider that the system of check that was established in Dublin was adequate to give to the consulting committee a full knowledge of the proceedings of the branches, and to guard against abuses?—I had no access to the books, as to checking; I was only acquainted with the returns; the accountant kept the books: I had no access to the books at all not kept as to the branches; I never saw them.

3623. Mr. *Jephson.*] Were the returns always referred to you on their being received by the head office in Dublin?—Not always; generally previous to my going on the inspection they were referred to me.

3624. Was your special duty the inspection of the branches?—It was.

3625. Will you state the last time at which you visited each of these branches; which did you first go to?—It is impossible for me to recollect, it is so long since.

3626. At what period was it?—Some time in July or August last.

3627. Did you visit Kilkenny?—I did.

3628. At what period?—I had better refer to my book, to memorandums made at the time; I can tell you then the period. The first time I visited Kilkenny, I visited it to get the deed of settlement signed. I made no particular inspection of the branches.

3629. Mention the time at which that took place.—In September last.

3630. In what state did you find the affairs of the bank then?—As far as I could judge, they were in a very flourishing state.

3631. What proceedings did you adopt, in order to investigate the affairs of the bank?—Examined the books and the cash, that was my general practice; but at that time I did not, my time was occupied in getting the deed of settlement signed, and the time was very short. I did not examine the cash at that time; I merely looked over the books, and I saw that the accounts were in a fair state, as far as I could judge.

3632. Mr. *O'Connell.*] Did you make any investigation of the books?—I took the balance-sheet, and looked at the books, and saw that the entries were regularly made up.

3633. Did you see how much stock had been paid in that branch?—I have no statement of it here.

3634. Did you examine it?—I did examine it; at the time, I could have stated, but I cannot from recollection at this distant period.

3635. Mr. *Jephson.*] Have you any materials with you from which you can now answer the questions relative to the state of the branches which the Committee would wish to put to you?—I fear I cannot. If I had understood that that would be a particular point, I would: I fear I cannot, from this memorandum of mine, give you that particular state of the branches I would wish to do.

3636. Mr. *O'Connell.*] Were you a salaried officer?—I was.

3637. What salary had you?—£. 400 a year.

3638. What was your duty?—My duty was to inspect the branches. I went over as an assistant manager originally, at the special wish of the English shareholders.

3639. Was it not your duty at each branch to ascertain exactly the state of that branch?—I did so at the time, and reported it.

3640. Did you ascertain how much cash was in the bank?—Surely.

3641. Did you ascertain how many securities were in the bank?—Surely.

3642. Did you ascertain how many securities were over-due?—Yes.

3643. Did you ascertain how much of the capital was paid in at that branch?—By the books; yes, according to the books.

3644. And there were books which you saw at the Kilkenny branch, for example, containing the amount of capital paid up?—Yes; in the general ledger, a distinct entry to that effect; I think I can show you there was a distinct entry to that effect.

3645. Can you answer my question?—I will show you in one moment. Proprietors instalments at the Kilkenny branch; this is at my second visit; I happened to pass through Kilkenny on the 3d of January 1837; in folio 142, "Proprietors' instalments," 6558*l.* 17*s.*

3646. Does that purport to be the amount paid up of proprietors' instalments at that branch?—It does so.

3647. Did you examine how that was paid up; how much in cash and how much in bills?—I had no means of ascertaining that.

3648. Were there no entries to show that?—There were entries, but it must have been of a previous date; at the commencement of the establishment.

3649. Were there any past-due bills of any of the proprietors?—I am not at all aware that there were any at the Kilkenny branch; it is more probable if there had been any bills that had been given for instalments, they would have been sent to the head office.

3650. Although payable in Kilkenny?—I do not know whether they were payable in Kilkenny or not.

3651. In short, you know nothing about it?—I know nothing about that; I cannot speak to that point at all.

3652. Did you examine the securities?—I did examine the securities, but I have no memorandum to show whether any part of the past-due bills belonged

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to shareholders or were given for shares; my impression is that, at the time, there were none at the branch.

3653. But, in point of fact, you cannot commit yourself whether there were or not?—No, I cannot.

3654. Can you speak more accurately as to the state of the bank at Waterford than at Kilkenny?—No; I made no particular examination of the bank at Waterford, because I was there one day only to get the signatures of the shareholders.

3655. Do I understand you to say that the inspection, of which you spoke, in September last, was one to get the deed executed?—That was the principal object of my inspection.

3656. Mr. *Jephson.*] Can you speak as to any real *bonâ fide* inspection which you have ever made?—I never made a particular inspection, unless it was accompanied by the deed of settlement; I was not long enough with the concern; I made no real *bonâ fide* inspection at all; that is where my whole time was occupied in inspection only.

3657. Mr. *O'Connell.*] Then you went down to get the deed of settlement signed, and you called that an inspection?—No, I did not; I was the inspector, but it was necessary to have the deed of settlement signed, and I took it with me to the branches for that purpose.

3658. Mr. *Jephson.*] Were your instructions from the management committee merely to get the deed of settlement signed, or also to examine the state of the affairs at each branch?—Also to examine the state of the branch, as far as my time would permit it; in many cases I made an inspection to a certain extent.

3659. Did you make any inspection in Cork?—No, I made no inspection at all in Cork, because there was a resident local inspector there.

3660. Mr. *O'Connell.*] Who was he?—Michael Joseph Barry.

3661. Mr. *Jephson.*] Did you inspect the affairs of the bank at Limerick or at Ennis, so as to be able to give an account of them?—At Ennis, I did.

3662. In what state did you find the affairs at Ennis?—There was a great number of past-due bills.

3663. Mr. *O'Connell.*] Were not the books very irregularly kept at all the branches?—Not the whole.

3664. In what branches were they irregularly kept?—At Ennis they were rather behind; they were not so regularly kept there.

3665. Mr. *Jephson.*] At what period were you at Ennis?—I was at Ennis on the 1st of October.

3666. Sir *John Wrottesley.*] Are you in the pay of the bank at this moment—I am not; that is, I am engaged by them for a temporary period only.

3667. When did your salary, as inspector, cease?—On the 16th of January; I was in England for four months; I have not been connected with the bank for the last four or five months; so that I am entirely out of any knowledge of it.

3668. Mr. *O'Connell.*] You know Alderman Watson?—I do.

3669. Were you apprised that Alderman Watson and Mr. Dwyer called upon this Committee to have you examined?—As to the general state of the affairs of the bank, I was not aware that I was to be examined as to the particular bills at any particular branch.

3670. You understood they had written to have you examined?—Yes, I understood they had written to have me examined.

3671. Had they consulted with you before they wrote that letter calling upon you to be examined?—They had named it to me; they had not named any particular points to which I was to be examined; I had no consultation with them as to the course of examination.

3672. But they informed you, and you consented to have your name sent to this Committee?—I did.

3673. Now did you not suppose that we would examine you in the entire as to how you discharged your duty as inspector?—I presumed you would have examined me as to the general state of the affairs of the bank; I had no idea you would examine me as to any particular points, or call upon me to give any particular statements as to the paid-up capital at any particular branch, or anything of that sort, only as to the general conduct of the bank.

3674. Then how can you give the general conduct or general state of the bank without being prepared to verify that by an examination of the particulars?—I could have afforded you those particulars if I had had any idea I was to be examined to those points, but I am quite unprepared as to them.

3675. Mr. *Jephson.*] Are you prepared now as to Ennis?—I fear I shall not be enabled to give you the particulars as to Ennis that you will require.

3676. Are you prepared to give us the details of the affairs as to Ennis?—I fear I shall not be.

3677. Mr. *Hamilton.*] You had heard that the parties were at issue with respect to the good management or the mismanagement of the bank?—I had understood so.

3678. And it did not occur to you, having heard that, that in point of fact the issue would be determined by the investigation of particulars?—I presumed you would require the particulars of certain things, but I had no idea of going into that; I could have furnished you with all those particulars if I had been aware I should be expected to do so.

3679. Mr. *Jephson.*] Was the general management of the bank under your superintendence?—No, it was not.

3680. The superintendence of the branches was your particular department?—For the time I was there.

3681. You are sent here, you state, not to speak to the detail of the branches, but to speak to the general management of the branches?—I did not understand myself to be sent here to speak except as to the general principles of the bank, and with regard to the management of these branches; many of the branches were managed indifferently, as a matter of course, among so many; others were managed exceedingly well.

3682. Mr. *O'Connell.*] Can you state which were managed well?—Ennis was not well managed, certainly.

3683. Mr. *Jephson.*] Which of the branches should you, as a person acquainted with banking, say was well managed?—I should say the Clones branch was well managed; the Dungannon branch was managed very well.

3684. Now, taking Clones, what opportunity had you of ascertaining whether it was well managed or not; what time did you spend in the investigation of the affairs of the bank there?—I was there a day only, about two or three months ago.

3685. Mr. *O'Connell.*] Since the stoppage?—Since the stoppage; the examination of the books.

3686. Sir *John Wrottesley.*] Did you ever examine the Castlebar branch?—I did.

3687. Was that well managed?—The accounts were not regular when I was there; the accountant had got into an error with his bill account.

3688. Did you find the books posted up regularly to the time?—They were not, in consequence of that; I was going to leave an accountant there.

3689. Did you report against that bank?—I reported it was in that state that the bill account was not in its proper state; the account of bills and the bill discounted account did not agree; it was not properly posted up.

3690. Did you examine carefully the notes in circulation?—I had no means of examining the circulation; I could only see the apparent circulation; the notes that were retired of particular branches in Dublin would be kept there, and consequently, deducted from the apparent circulation on the statements sent to the branches.

3691. Did you make any inquiry as to the returns that had been sent to the head office?—Yes.

3692. Had they been regularly sent?—Sometimes they had not from that branch; they were delayed a week.

3693. Mr. *Jephson.*] Did you attempt to verify the returns which had been sent to the head office by the books, when you were on the spot?—I had no returns from the head office that I could verify them by, and I had not the last returns from Castlebar, except those that I had taken previously to my going out, and I have not them with me now.

3694. Then as far as your inspection was concerned, the returns made to the head office by the branches might all have been incorrect, for anything you can

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say to the contrary?—Yes, I had no means of checking them myself. I saw to the balancing of the books in the general ledger.

3695. In the balancing of the books, did you take any means of ascertaining whether any debts which were not likely to be recovered were entered as good debts?—They made no distinction between good or bad debts at the branches, not in their books, until the inquiry was made of them at the general half-yearly balancing.

3696. Was it not part of your duty to ascertain the state of the bills?—I did. I understood your question to refer to whether there was a statement in the books of good or bad debts. That was the province of the head office; on a report being made to them, at the general half-yearly balancing, to make a statement of the good, doubtful and bad debts, in order to strike the balance for the general half-yearly dividend.

3697. Sir *John Wrottesley.*] Were you instructed to make any inquiries in the town, as to the solvency of parties who were debtors to the bank?—They had local directors, and therefore it was not considered necessary.

3698. Mr. *O'Connell.*] Did you make reports of what you have called your inspection, in September last?—Yes, I reported upon all the branches I visited in September and October.

3699. Can you state how many there were, and which?—I can give you a list of them: Loughrea, Galway, Ennis, Limerick, Nenagh, Tuam, Castlebar, Ballina, Sligo, Boyle.

3700. You reported from all those?—Yes, from all those.

3701. Did you send your reports to the head office in Dublin?—Yes.

3702. And they ought to be there?—I should say so.

3703. Did you make any other inspection?—I made an inspection with the deed.

3704. When?—In the middle of October; I think it was from September to October, the 3d of October; I was at Castlebar on the 1st of October.

3705. Was that inspection with the deed the inspection which you have alluded to in that list?—Yes.

3706. Which of these branches did you inspect when you went with the deed?—I inspected the Ennis branch.

3707. Had you ever inspected that branch before?—No, I had merely called there in passing.

3708. Which other did you inspect when you went with the deed?—I inspected the Castlebar.

3709. Had you inspected that before?—No.

3710. Which other; did you inspect any other?—The Sligo branch.

3711. Had you inspected that before?—No; I had merely, in passing through there, called one evening. I had not inspected it, or had an opportunity.

3712. Is there any other of those that you inspected when you went with the deed?—The Boyle branch.

3713. Had you inspected that before?—No.

3714. Is there any other you inspected when you went with the deed?—No, not of these branches.

3715. What are the others?—Londonderry, Ballina, Tuam, Nenagh, Limerick, Galway and Sligo.

3716. When did you inspect Londonderry?—When I was at Londonderry.

3717. When did you inspect it?—I inspected it about the 30th of October; I should say somewhere in October last.

3718. Had you ever inspected it before then?—No, I had not.

3719. Tuam is another, is it not?—Yes.

3720. When did you inspect Tuam?—On the 1st of October.

3721. When, exactly, was it you made the visitation with the deed?—In October, on the 1st of October; I had the deed at the time.

3722. Then you inspected Tuam when you went with the deed?—Yes.

3723. You told me just now you did not?—It was a mistake of mine.

3724. You never inspected it before that time?—No.

3725. Have you told me when you inspected Londonderry?—On the 1st of October; no, I think, the latter part of October; previously to November.

3726. Now Nenagh, when did you inspect that?—I did not inspect that at all, I merely went there, and the manager happened to be from home; I had no means of inspecting that.

3727. Have you not given it as one of the names?—Yes, one of the branches where I went in order to have the deed signed.

3728. My question to you was, what branches you inspected?—I did not thoroughly inspect Nenagh; I had no time to do it.

3729. And you made no report of Nenagh?—No.

3730. Is there any other than that you did not inspect, that you put down?—I inspected Galway also, which I did not name, I believe.

3731. Was it when you went with the deed?—Yes, when I had the deed with me.

3732. You never inspected it before then?—No.

3733. Did you make a report?—I did.

3734. What other is there that you have not mentioned? Show me the list.—[*The List was shown to Mr. O'Connell.*]

3735. When did you inspect Ballina; was it when you went with the deed?—Yes.

3736. When did you inspect Sligo?—When I went with the deed.

3737. And at no other time?—At no other time.

3738. When did you inspect Boyle?—I had not the deed with me when I inspected Boyle.

3739. When was it?—Previously; I think, about the middle of September.

3740. Did you make a report upon it?—Yes, I did make a report upon Boyle.

3741. Can you tell when?—The 2d of September.

3742. You had not the deed with you then?—I had not the deed with me.

3743. When did you inspect Limerick?—The 8th of October.

3744. That was at the time you had the deed out?—Yes, I had the deed when I inspected Limerick.

3745. And you went there to get it executed?—Yes.

3746. Did Alderman Watson execute it?—No, he did not at that time.

3747. And he never executed the deed?—I do not know whether he has executed it since.

3748. Unless he has executed it since, he did not?—He did not execute it at that time; I have a perfect recollection of that.

3749. Do you know whether he had paid up any instalments?—No, I cannot speak to that, but I presume he had; I had no means of knowing.

3750. *Chairman.*] Do you consider, from your experience in banking, that the accounts and records of any joint stock bank could be properly kept without a stock account, showing the number of shares which had been issued and the amount paid on each share?—Certainly not.

3751. Do you know whether any such account was kept by the Agricultural Bank?—I do not know.

3752. Did you ever see such an account?—No, I did not.

3753. Did you ask for such an account?—I had no means of getting it. I asked to see the books from the accountant, but I never could get to see them.

3754. You have asked, as inspector, to see the accounts, and never could get to see them?—No.

3755. What prevented you?—It was not convenient; and a variety of circumstances I was put off by. I had the full power and authority of the board, but I never saw them.

3756. Do you think it possible to discharge the duties of inspection of the different branches, so as to check with accuracy the accounts which they made with the facts that you found on inspection, without a reference to the original accounts of the bank?—I could inspect the accuracy of the books at the different branches, the accuracy of the cash, and that they balanced, but I could not tell that that agreed with the books at the head office.

3757. Did you state you had the full authority of the consulting committee to consult those books, but you never was able to do so?—I never was able.

3758. Did you apply to the accountant?—I did, several times, but not officially; I merely asked to be allowed to look at them.

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3759. In what way could you apply, you being the inspector, without applying officially?—I did not go with an authority to ask him to let me see the books, but merely applied to him to ask him to allow me to see the books.

3760. Why did you make that application?—I did not consider myself at the time it was necessary I should see the state of the books at the head office, so as to correct the branches, but I did apply nevertheless to see what state they were in, because I wished to see them.

3761. What was your object in so applying?—I wished to see they were kept in a proper state, that I might be enabled to judge as to how things were going on at the branches, and see how they corresponded with each other.

3762. Did you ever report to the directors that you had not been allowed to see those books?—No, I never did.

3763. Do you consider the accounts of any bank can be properly kept without a distinct and accurate record of the amount of promissory notes put into circulation?—Certainly not.

3764. Was any such account, to your knowledge, kept at any one of the branches you visited?—I should say not at the branches, those were presumed to be kept at the head office.

3765. Where were these notes issued?—They were issued at the different branches; sent from the head office numbered ready for issuing.

3766. But if the issue took place at the branches, surely the only record that could be kept effectively of the issue must have been kept by the branches, or under the authority of those branches?—I should say it was not necessary myself; it should be kept at the head office; the branches had nothing to do with keeping the circulation.

3767. How could an account be kept at the head office of the amount of promissory notes issued at Cork or Limerick?—You mean notes of the bank?

3768. Yes?—They were sent down, and the notes held on hand at the end of the week were recorded as being on hand, and the difference was the apparent circulation; the amount then in the hands of the committee in Dublin was deducted from that, and that formed the positive circulation.

3769. Then must not that report, namely, the account of the amount on hand at the branches, as compared with the amount received from Dublin, have been an account kept at the branches alone, and on the authority of the branches?—There must be a note account kept at the branches.

3770. Did you ever ask for such account as being kept at any one of the branches?—No, I never did. The notes were brought in as cash at the branches, not as a separate account; they had an account of the notes, with the apparent circulation.

3771. Did you ever see such an account kept?—Yes, in almost the whole of the ledgers; but it did not form a part of the accounts of the bank; it formed a separate account; it did not form a part of the cash account. The notes were all called as cash in the statement of the bank.

3772. Suppose 50,000 notes had been sent down from the head office to Cork, of which 45,000 were put into circulation, leaving a balance of 5,000 consequently still on hand, was there any account kept at the branch at Cork that would have shown the precise number of notes which at any time was put into circulation?—I should say there was an account of that sort.

3773. Are you certain?—I am not certain, because I never examined the Cork branch.

3774. But the question is put generally, with respect to the branches you visited?—I should say all the branches had an account of that sort; they made a return of that sort weekly, and they could not have made it unless they had an account of it in some shape or other.

3775. Will you name any given branch at which this account of the notes received from Dublin, and the amount of those notes which were put in circulation by that branch, was kept?—I have seen them in various branches, but at this moment I cannot charge my recollection with it.

3776. Can you name one?—No, I cannot.

3777. Can you state that it was in all?—No, I cannot, because I did not see

see it in all; I saw most of them; I did not consider it material, because they had on the back of their abstract a calculation of this sort:

" Notes received - - - - - - -	50,000
" Notes on hand of this branch" - - - -	5,000
	45,000
" Ditto of other branches - - - - - -	500
	44,500"

3778. In your visits to all these branches, did you compare accurately the state of their cash with the accounts which they had rendered of their cash?—With their cash-book of the day.

3779. And with the accounts they had rendered to the head office?—I could not; I had no means of doing that.

3780. Was it possible for you to discharge your duty as inspector, without being able to compare the accounts rendered to the head office with the actual state of transactions at the various branches?—It is possible, but they may vary, inasmuch as on a particular day there may be entries made at one place that are not made at another.

3781. But is it not the duty of an inspector to communicate to the head office, from actual inspection himself, those facts which would enable the head office to determine upon the fidelity and accuracy of the returns made to them?—I made a report of the state of the branch the day I found it, and then they had an opportunity of comparing it with the accounts at the head office.

3782. But you never was furnished with it?—No, I was not.

3783. Did you consider it your duty to report upon the character of the bills?—Yes, and I did so.

3784. Did you consider that the business done in the character of the bills, more especially referring to the very small nominal amount of some of those bills, was that of the character of a bank which it was just or legitimate to have undertaken?—Not in England, I should say; but in Ireland it appeared to be the practice, and those bills were generally regularly paid.

3785. You state in Ireland it was the practice; can you refer to any other bank at which it was the custom to discount 50*s.* and 3*l.* bills?—I can refer to no other bank than that; I say it appeared to be the practice of that bank, from their original prospectus.

3786. Do you consider that a just and legitimate application of the functions of banking, or safe in itself?—It has proved to be safe as far as that has gone with regard to small bills. The managers and the directors generally assured me they were perfectly safe; that those bills were regularly paid, and it advanced the character of people in Ireland; Mr. Dumas, the director of the Killarney bank, stated it was a principle upon which the bank was started, and that the bills in that branch with this class of persons were generally regularly paid.

3787. Did you see him acting as such?—Yes.

3788. Had he control as such over the proceedings of the bank?—I should say so.

3789. You referred to him as such?—Yes; I saw him acting as such.

3790. And did you notice that circumstance in your report made to the committee in Dublin, the head office?—This observation of his?

3791. No, that you had communicated with Mr. Dumas at Killarney as the director of the bank?—Yes, he was acting without a salary; he was acting gratuitously.

3792. Mr. *O'Connell.*] You took him to be a shareholder, of course?—No, I did not; I knew he was not a shareholder.

3793. Sir *John Wrottesley.*] Among the assets of the various branches, did you observe notes of other banks of Ireland under 5*l.*?—

3794. *Chairman.*] Notes discounted?—No, I had no opportunity of seeing them.

3795. Sir *John Wrottesley.*] Did you not look over their bills as part of the assets; the bills that they held of other banks and of other persons among the assets?—The bills that the bank held of persons doing business with them?

3796. Yes; you saw those?—Yes.

 3797. And

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3797. And among them did you see any notes under 5*l.*?—I have in Skibberaberry.

3798. From what other bank?—There might have been some at Killarney and Castlebar.

3799. I mean of any other banks?—I had no opportunity of seeing the assets of any other banks in Ireland.

3800. Do you mean that you did not look over the various bills on hand at the branches?—No; I mean to say I did at the branches.

3801. Then among those bills on hand, did you find many under 5*l.*?—Yes, in some of the branches; in very few of them; such as Skibberaberry, there were a few.

3802. Mr. *Hamilton.*] Were there many under 5*l.*?—I should say not a great many; there were some, but not many.

3803. *Chairman.*] You have spoken of the general position of the bank; did you feel it your duty to inquire at the branches you visited, whether any proceedings were taken at law, for the enforcement of debts due to the bank?—Yes, there were proceedings going on.

3804. Did you find, at any of the branches, there was a considerable number of processes entered at the quarter sessions for the recovery of small debts?—At Mallow and Stokeston I understood there were some.

3805. To what extent?—I have no idea.

3806. Did they exceed hundreds?—I positively cannot say; I have no idea; but the loss at Mallow will ultimately not be so great as has been stated, from a report I saw from Mr. Morgan, the other day.

3807. When you have stated that the small bills had been accurately paid, did you take measures to inquire whether they were not, in some instances, discharged by the acceptance of renewals of those engagements?—That was the case in some instances; I understood that they were renewals occasionally, when they considered the parties to be of good character and industrious.

3808. Did you consider, that if the apparent accuracy of payment, in fact, resolves itself into the substitution of one security for another; did you consider that to be the accuracy of payment on which a bank could depend in its engagements?—No, certainly not myself; but it was the practice observed in that bank, and their original prospectus confined them to it.

3809. Did it suggest the payment of one security by the substitution of another?—No, many parties joined together in these notes, perhaps four or five, and they would divide it between them; and then they would join it perhaps with the accommodation of some other party, and those accommodations were carried on from one to the other.

3810. Can you lay before the Committee any formal information on the part of the bank, of which you acted as inspector, which you think is important either for them or for the public?—I think I could; but I am not prepared at this moment to do that; I will look my papers over, and will send a written report of it, if the Committee wish it.

Peirce Mahony, Esq., called in; and Examined.

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3811. *Chairman.*] IN your examination, I am instructed by the Committee to confine my questions, as far as it is practicable, to the state of the law, the defects to which that law is incident, and to any remedies which your experience may enable you to point out as being fit subjects for our consideration. We are aware that you have been employed professionally in the affairs of the Agricultural and Commercial Bank of Ireland; but it is not the desire of the Committee that we should go further into the affairs of that bank in your examination, although of course we do not seek to exclude any legal knowledge or legal opinions to which you can refer in illustration, not of the special circumstances of that bank, but of the defects of the law; I have been directed by the Committee to give you that explanation beforehand?—It may be satisfactory to those whom I represent, that I should observe to the Committee, in reply to the Chairman's communication, that being aware I was to be examined, I communicated with them; and they directed me, if the Committee so thought fit, to state all the facts within my knowledge regarding their affairs; and I can say nothing except what results from documentary evidence; and the principal documents I have brought with me, as I thought they would enable the Committee

mittee to understand the circumstances connected with the origin of this bank, and how the law has been abused by those who projected and have conducted it.

3812. *Chairman.*] The wish of the Committee, as expressed by me, is not imputing any disinclination, either on your part or on the part of those whom you represent, to lay before the Committee an unreserved view of their affairs, but it was the determination of the Committee that their duties would be best performed if they confined themselves, in your examination, to the consideration of the state of the law, and the various improvements of which it would be susceptible, should there be any case of abuse suggested by you. Have you turned your attention to the subject of the laws which regulate joint stock banks?—Yes; I was party to the framing of the Bill under which the joint stock banks in Ireland were constituted; the 6th Geo. 4, c. 42, was passed in the year 1825, after a great deal of consideration, and it was thought to be perfect. The first Act was the 1st and 2d Geo. 4, c. 72; that was the Act which relaxed the monopoly of the Bank of Ireland and permitted the establishment of banks consisting of more than six in number, at a distance of above 50 Irish miles from Dublin; that is equal to 65 English miles. The Bank of England subsequently adopted the Act for Ireland of 1825 as a model for their arrangement with Lord Liverpool's Government in 1826. The next Act was passed in the year 1824, for amending that Act; it is the 5th Geo. 4, c. 73; that Act was found extremely imperfect, and it was amended in the year 1825. The English Act was subsequently amended by the 9th Geo. 4, c. 23, and the Irish, in the same year, by the 9th Geo. 4, c. 80. Another Act was passed regarding Ireland, making notes payable at the places of issue, and that was the 9th Geo. 4, c. 81. There was a subsequent amendment of 6 Geo. 4, c. 42, to which it is important to call the attention of the Committee, and that is the 1st Will. 4, c. 32. It explains and amends two Acts for establishing an agreement with the Bank of Ireland for the better regulation of copartnerships with bankers in Ireland. Similar laws in principle to that passed for Ireland and for England were subsequently passed for Scotland, regulating partnerships of bankers. I cannot state the reference to the Scotch Act, but I think it passed in the year 1827; it followed immediately after the English Act; I mention all those Acts to facilitate the Committee in the inquiry from me as to the defects of the law, and I beg here to state that those defects apply to the whole country; they are not mere Irish defects.

3813. Were you familiar and conversant with the passing of these respective Acts?—It was my duty, as solicitor to the Provincial Bank of Ireland, to attend to them, particularly the 6th Geo. 4, c. 42, which received a great deal of consideration; the most eminent legal authorities in the country were parties to the framing that Act.

3814. You have stated you were solicitor to the Provincial Bank of Ireland?—Yes.

3815. From what period?—From its formation in 1824.

3816. Do you still continue the solicitor to the Provincial Bank of Ireland?—Yes, uninterruptedly.

3817. And, as such, your attention has been turned to these subjects uninterruptedly from the time of the passing of the first of these Acts to the present moment?—Certainly.

3818. You have stated that high authorities were consulted with respect to the framing of these Acts; to what authorities did you refer?—The 6th Geo. 4, c. 42, was amended most materially in the Lords, and all the principal provisions were introduced by the direction of Lord Eldon; the counsel consulted in framing that Act were the present Lord Lyndhurst, Lord Abinger, Lord Chief Justice Tindal, Sir John Campbell, Serjeant Spankie, Mr. Justice Bosanquet and Mr. Brodie the conveyancer. The solicitors were Mr. Thomas Farrer and myself.

3819. You have stated the counsel in the case; was there a case pending at that period which led to the reference to these high legal authorities?—No case at law or in equity was then pending, but the object of the promoters of that Act was to make the law as perfect as it was possible, and to protect the existing privileges of the Bank of Ireland and the Bank of England; there were various cases sent to the authorities I have named as counsel on various points. The Bank of England had their solicitor, and Mr. (now Justice) Bosanquet as their counsel.

3820. Has your experience in your professional capacity, during the course of time

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time to which you have referred, led you not only to consider the enactments themselves, but to consider any practical defects which result from the state of the law?—Yes; they are numerous; I consider that, as the law now stands, shareholders in joint stock bank companies stand in the greatest peril; in fact, if they happen to select dishonest or incompetent persons, they have no control whatever if those parties think fit to resist them, or keep possession of their property, even though they may be removed or suspended as directors by an unanimous vote of the shareholders.

3821. What do you mean by the selection of incompetent persons; do you mean as their practical officers or as directors who assume the management of the company?—As directors; and the danger is much increased by the habit of the public allowing directors to be, in point of fact, originally self-elected; parties put themselves forward, and obtain the confidence of the shareholders, and if they abuse it, I know no remedy that the parties have who are thus duped into subscriptions.

3822. Mr. *O'Connell.*] They may file a bill in equity?—They may file a bill in equity; but that is no practical remedy. In the case of the Agricultural Bank, I filed a bill, to prevent forfeiture of shares, in March last, under the advice of Mr. Warren and Mr. Pigot. I have their opinions in my hand directing me to do so. I have also the concurrent opinions of the Attorney-general for England and Mr. Edward Pennefather in the same case; but we had to make more than 2,000 shareholders parties to that suit; we got our injunction immediately; the next week the suit abated by the death of the principal plaintiff; and, of course, on filing the bill, it was avowed by me to my clients that all I could do or hope for was to get the injunction; as to prosecuting the cause, or serving process, that was quite out of the question; and since then, there has been a new registry of shareholders in the Stamp-office, by which it appears that there are several hundred more persons registered, and I am now about to file a bill against 4,700 persons, with a perfect knowledge, on the part of my clients, that all I can get from the court is an injunction.

3823. And that it will be practically impossible to carry on that cause?—Utterly impossible.

3824. It never, in fact, can come to a hearing?—Never.

3825. So that a judicial determination between those parties is, by reason of the machinery of the courts, utterly impossible?—Totally impossible; and the parties who employ me to file that bill to seek an injunction, know that perfectly well; in fact, the cases and opinions that I have taken the liberty of sending to the Members of this Committee printed, contain the advice of my counsel; and I beg particularly to call the attention of the Committee to the answer to the 19th query; this is the opinion of Mr. Warren and Mr. Pigot, dated the 15th of May, and it runs thus: "We are of opinion that the company will be answerable to strangers on any securities negotiated, or any contracts entered into by the consulting committee;" of this consulting committee, there are eight suspended, according to the terms of the deed of constitution, who refuse to comply with that deed, and continue to act. It goes on, "While acting ostensibly in the management of the concerns, we do not see any means by which this can be prevented but by such a bill as we have already described, or by an Act of the Legislature. On the whole, it appears to us that the company is now involved in difficulties, from which its members cannot be effectually relieved without the aid of the Legislature, or some amicable adjustment among themselves. We think it worth while for those members who are of opinion that the company cannot safely or advantageously carry on its business, to apply at once for an Act, providing for its dissolution; and it may be necessary in the meantime to file a bill, framed in the manner we have described, for restraining the consulting committee from acting, and praying for a dissolution; this latter measure should not be resorted to, if the consulting committee will consent to any mode of *ad interim* management, which will diminish the expense of the present mode of conducting the company's affairs. It is not perhaps quite foreign from the purposes of the case now before us, that we suggest the propriety of bringing under the notice of any Committee which may sit upon the affairs of this bank, the present state of the law respecting proceedings in equity, to restrain misconduct in those intrusted with the management of joint stock companies. It is in such cases impossible to prevent or remedy the consequences of misconduct in persons intrusted with the direction

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of the company's affairs, without assembling before the court, in a suit framed for the purpose of a dissolution, all the members of the company; thus not only incurring an expense ruinous to all concerned, but rendering it, by the very frame of the remedy, impossible that such remedy can, if the company be very numerous, be very practically applied. In the present instance, the company consists of a number of members so large, that generations might pass away before a cause, to which all were parties, could be brought to a hearing."

3826. Mr. *O'Connell.*] The gentlemen who signed that were?—Mr. Warren and Mr. Pigot, two of the most eminent counsel we have at the Irish bar, and that opinion is concurred in by Mr. Pennefather's, which is also here, and upon the points referred to by Sir John Campbell, who was also consulted.

3826*. *Chairman.*] You have stated this inconvenience to arise in reference to supposed disputes between the shareholders and the court of directors or the governing body, but does not the same difficulty arise in many other cases besides the case of a dispute of that description?—As between the public, that is a party having a demand against one of those banks, or the bank having a demand against him, there is no difficulty that is not removed by the existing law. The difficulty arises where each individual partner has an interest in the subject matter that is brought before the court, as in this case of dissolution or the removal of a director, because, if any one individual says he ought not to be removed, or he himself says he has not been legally removed, there is no mode of removing him except by a suit of this description in a court of equity.

3827. But suppose a case of any other dispute amongst the partners, such as the question of making a call, or any other matter which concerns the partners only amongst themselves; have they any effectual remedy short of a bill in equity, liable to the objection to which you have already adverted?—None.

3828. Mr. *O'Connell.*] As to the call, they may have legal remedies by their deed?—As to the call, the directors may have legal remedies under their deed, but the proprietor who questions the due exercise of the powers vested by the deed, has no remedy short of filing a bill against the whole body of his co-partners; that was exactly the case I had to deal with when I filed that bill for the shareholders of the Agricultural Bank; and I have before me the opinion of Mr. Warren and Mr. Pigot, under date 3d March 1837, upon which that bill was filed; and they state in one passage of it that "there are abundant facts, not only showing the grossest mismanagement, but creating a strong reason for believing that the company was little else than a bubble and a juggle, and that it commenced with scarcely any available capital whatever. These facts, in connexion with the others above adverted to, appear to us beyond all question to call into exercise the jurisdiction of a court of equity, for the purpose we have above described. An injunction would probably lead to an immediate acquiescence of the consulting committee in the desires of the British shareholders for an amended system of management, which we apprehend is their chief aim." For this purpose, all the partners must be parties to the suit.

3829. Therefore, in all cases in which there are disputes between the partners themselves, the adjudication upon those disputes, unless specially provided for under the deed of settlement, so as to give a legal remedy, would remain subject to equitable jurisdiction?—Even though provided for by the deed; it is so in this very case; this case of the Agricultural Bank exemplifies the defects of the law as strongly as any other could do. The first question that I had to consider was, the legality of the call. By the first section of the first deed, dated the 1st of December 1834, it was expressly provided, that no further call should be made without the sanction of a meeting of proprietors, duly convened for that purpose, nor in larger instalments than in 10*s.* per share. The deed then goes on, and it provides for the mode of calling meetings. The meeting under which the directors acted was held on the 17th of October, and of the intention to make a call, no notice whatever was given; but at that meeting it was proposed and seconded that a call should be made, and the directors proceeded to act upon that resolution in direct contravention of their deed of settlement. They then threatened to forfeit the shares for non-payment of the call. A deputation came over from Manchester to me in the month of February to protest against it; they were armed with the opinion of the Attorney-general of England and Mr. Pennefather, showing that the call was illegal; they got, in addition the opinions of Mr. Pigot and Mr. Warren; and then, in order to remove every difficulty, they proposed to act upon the 168th clause, which

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is precisely the one in point, which provides that "if any questions, disputes or differences shall at any time or times hereafter happen to arise between the parties executing this present deed of settlement, or such other persons as shall at any time or times hereafter become members of the committee, concerning any matter or thing in this deed contained, or any matter or thing relating thereto, or to the management and concerns of the company, then and in such case the said parties or such other persons shall and will from time to time leave the matter in dispute between them to be decided and determined by the opinion of three counsel, practising in any of the courts at Dublin for the time being, in manner following; that is to say, a case containing all the facts and matters in controversy, shall be fairly stated in writing and laid before each of them the said counsel, and the opinion of the major part of them, in writing, shall be final in determining the same; and the contending parties shall respectively submit to the said opinion, and the person or persons against whom the said decision or determination shall be made or given, shall pay, discharge and satisfy all fees, costs, charges, damages and expenses which shall have been occasioned by such disputes and differences, and by the means of deciding and determining the same in manner before mentioned." I offered, on behalf of those I represented, to adopt this clause to decide the whole question in dispute; it was refused; the shares were threatened to be forfeited, and I had no remedy to protect my clients except filing the bill.

3830. Mr. *O'Connell.*] Then if that committee, as you state, had not complied with the terms prescribed by the deed for calling the meeting to declare the call, then they could not recover at law?—No.

3831. You would have had a defence at law?—Yes, I would have had a defence at law.

3832. But they, probably knowing that, endeavoured to coerce you, by declaring a forfeiture of the shares?—Yes, exactly so, by a forfeiture of the shares, accompanied by the most extraordinary provision I ever saw in a deed, which is contained in this. For the directors have not merely the power of forfeiting the shares, but after they are so forfeited for the general benefit of the company, they have the power of proceeding against the parties for the amount of the calls: that is a provision in this deed which I never saw in any other, or in any Act of Parliament. The usual provision is, that when shares are forfeited, they are to be sold to pay the call, and to pay the parties the surplus balance after sale in public market. In this case the shareholders are made responsible for the call, and they also forfeit their property in the shares.

3833. Then in order to assert the rights of your clients to their shares as free from forfeiture, and to obviate the other consequences in the deed, you had no remedy in a court of common law?—None.

3834. And your only remedy was by filing a bill?—The only remedy, and I resorted to it with full notice to the parties, that it was a hopeless and useless remedy, except so far as the interposition of the court by injunction was useful.

3835. That declaration of the opinion of the court by the injunction might have made an impression upon the directing committee, that would have prevented them from going on?—Yes, and did so in this case, because we obtained the injunction, I think, on the 4th of March, and on the 7th of March we got a minute of agreement, which effected all the objects we then had in view; the facts are contained in the two letters I hand to the Committee, addressed by me to the directors, dated 23rd March and 12th April, and the latter contains the opinion of Mr. Warren as to the legality of the meeting of the 17th of April.

3836. Sir *James Graham.*] If in filing the bill in equity, with a view to obtain an injunction, you, the solicitor, through inadvertence, had omitted the name of any one of the partners whose names were registered in the Stamp-office, would such omission, if proved to the court, have deprived you even of that remedy?—It would immediately entitle the defendant to file a plea in abatement, and I must have amended my bill by introducing the names of the omitted parties, and my clients would be liable to the whole costs of the proceeding.

3837. And *toties quoties* as omission should be proved?—Decidedly.

3838. Mr. *O'Connell.*] And the Master of the Rolls would not grant you an injunction if it were shown to him there was any party that was not in your bill?—Certainly not; and that is one of the defects of the present law to which I intended

I intended to have called the particular attention of the Committee; this very case exemplifies it abundantly. At the time the bill was filed, I was proceeding on what was called the last registry, from March 1836, and carried down to the month of January 1837. I introduced the names of all the persons I so found recorded as shareholders, and to my great astonishment, in the course of the very month of March in which I filed the bill, within a very few days after, a new registry was made, and by it the number of shareholders was more than doubled. There were four thousand odd hundred, instead of about 2,200, in the very same month. And what was still more surprising to me was, that Messrs. Bernard, of Pallisan, who became shareholders in the establishment at its formation in 1834, were inserted in the last registry. They became very much alarmed in the year 1835; one of them had 1,000 shares. I offered, by their direction, to the consulting committee, after there had been, I think it was, a guinea a-piece paid on the shares, to give them away to any person that they would name; the object of Messrs. Bernard being to release themselves from responsibility. They refused to name anybody. At last, I named a person, an admitted pauper, and we paid the calls, and we insisted on the transfer; after a great deal of correspondence and difficulty, that was effected, I think, in January 1836. I got the deed; I have it in my possession, duly certified by two directors, as the law requires, and I thought my clients were entirely out of this Bank; but in the registry of the 25th March 1837, to my great surprise, I found them registered as shareholders. And that transaction is also mentioned in the letter of the12th April, which I have just handed in.

3839. Then they could have no remedy except by filing a bill?—None whatever.

3840. And then they should make all the shareholders parties?—And try the question of whether or not they were shareholders in a court of equity.

3841. That is to say, such a suit might be instituted; it would be a suit that could be instituted, but it could never be brought to a hearing?—Never.

3842. *Chairman.*] Suppose that an action is brought against the public officer of the bank, and a judgment had upon that, how would the party in whose favour that judgment had been pronounced proceed, in order to recover the amount of money so ascertained to be due to him?—Under the 10th section of 6 Geo. 4, cap. 42, which is repeated in terms in the other Acts for England and Scotland, the remedy is given, and that is, by suing one of the public officers, and having obtained the judgment, you then issue execution against any one of the registered partners.

3843. Serving him with notice?—Without notice, in case they are existing partners; but if they have ceased to be partners for less than three years, then there must be notice, and the court must be satisfied that the existing partners are not solvent, or that the company's property is not sufficient to pay the amount, before there is a remedy against those who have retired three years previously. I have looked very carefully at the registries of those various establishments from time to time, as they were sent to the Stamp-office, and the greatest defect is, that the schedule to the Act does not require all that the public is entitled to. It requires merely the names and places of the persons as they appear upon the books of the society; it ought to require the names in regular form, so as to give the public every possible protection. It should state the designation, the occupation, and the actual residence of the party, as near as it is possible. For in this very case of the Agricultural Bank, I was myself two years under the impression that one of the directors, Mr. Thomas Mooney, was a merchant of the highest respectability in Dublin, and another, Mr. John Chambers, of Abbey-street, was also a merchant of high reputation; I know that that was not merely my error, but that of the public generally, and so great was the delusion, that Mr. Gresham, before he became a member of the board, thought he was to be associated with the two gentlemen I refer to, and when he came to the board, he found them two different men, though bearing the same names.

3844. And one of them residing in the same street?—Yes; and Mr. Christie, one of the most respectable men in London, told me that he was led astray in the very same manner; he thought he was dealing with persons of reputation, instead of which, he found Mr. Mooney, instead of being a general merchant of admitted wealth, was but a baker, in Francis-street, and the great projector of

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the bank, and Mr. Chambers was but a stationer, who, I do not know the fact myself, but he is, at all events, confessedly the stationer to the company.

3845. Supposing that you discovered upon the registry a person of high character and of solvency, could you, under the existing law, having the judgment against the company, proceed to levy the amount from that party?—Undoubtedly.

3846. Mr. *O'Connell.*] The process is by filing a suggestion, stating he was a party, upon the judgment obtained against the public officer, and then you get execution at once against him?—Certainly, as in the case I referred to of Mr. Beamish Bernard, of Pallisan. If there was a judgment against this company to-morrow, all that is necessary is to go to the Stamp-office; you find his name there, and you file a suggestion, and you issue an execution against him, and then his remedy is by a bill in equity against all the partners of this company.

3847. Would Mr. Beamish Bernard have any opportunity of pleading to that suggestion?—None.

3848. He would have no opportunity of making a defence?—None whatever.

3849. The suggestion would be filed behind his back, without notice to him?—Certainly.

3850. And the first intimation he would get would be the execution being in the sheriff's office?—Yes.

3851. Or probably a seizure of his household furniture or carriage?—Yes.

3852. *Chairman.*] Now let me suppose that the individual shareholder against whom that execution was directed, held shares only to the value of 100 *l.*, but that the execution levied amounted to 100,000 *l.*, what remedy would he have for an apportionment of the 100,000 *l.* amongst his other copartners who were proprietors in the company?—He might commence a suit against the public officer; he might obtain a judgment upon that, and deal with some other partner as he had been dealt by, or he might file a bill against the whole partners for a contribution.

3853. Mr. *O'Connell.*] Or he might make an arrangement with the creditor to take a sum of money from him without satisfying the execution, and allow him to suggest over against other partners?—Certainly.

3854. That arrangement might be made legally?—Yes.

3855. *Chairman.*] Where the remedy is by a bill in equity, would not that bill be open to all the inconveniences which you have already described?—Undoubtedly.

3856. Where an arrangement was made with the creditor in the mode suggested by the last question, would it not depend on the good will of the creditor to acquiesce in that arrangement?—Wholly.

3857. Then the third remedy which you have suggested, of proceeding against the public officer of the company, does not, in your judgment, furnish an adequate protection to the *bonâ fide* holders of a small sum of stock, who have been compelled by the state of the law to pay a much larger debt on account of the company?—Undoubtedly; it is no protection whatever; and I can give the Committee, from my own professional experience, a case directly in point. I was concerned against the Saint Patrick Insurance Company for various claimants under their marine policies; I think they stopped somewhere about the year 1826 or 1827. It became my duty to recover very large sums from them, and I did so on the equitable principle, that if a party would pay his calls I would not take out execution against him. There was one man who refused to do so; he was a Mr. M'Gough, of Dublin; I issued execution against him, and levied about 800 *l.* or 900 *l.* for one of my clients; he commenced his proceeding for indemnity, and it was only late last year that I was examined in the cause to prove the facts. He was able, by that length of time, just to get so far as to prove the fact that he paid me the money. I do not know whether the cause has been since heard or not; but even in that case, he had an easier remedy than provided under the Banking Acts, because all he had to do in the Saint Patrick case was to make the public officer a defendant; but even with that advantage, it took him a number of years to bring his cause so far as an examination of witnesses.

3858. Mr. *O'Connell.*] Where does Mr. M'Gough live?—He lives in Capel-street, Dublin, and is an upholsterer.

3859. *Chairman.*] In many of the deeds of settlement which are before the Committee

Committee there are provisions introduced by which the dissolution of the company is directed to take place under certain circumstances, as in the event of a given amount of loss or other contingencies; now in the case in which members of the company, proprietors of stock, wish to enforce that provision in the deed of settlement, have they any mode of doing so but by a bill in equity?—None. That is the very case of the Agricultural Bank: under the 5th section of that deed, to which I previously referred, it is provided, "that in the event of it appearing by the balance-sheet of this company, or other clear, full and satisfactory evidence produced or to be produced, at any half-yearly general meeting, by five or more shareholders, that one-fourth of the paid-up capital be actually lost, it shall be in the power of any shareholder to call for a committee of at least twenty-one shareholders, to be elected by ballot at any stated general meeting of the company, to inquire into the truth and correctness of such loss; and if same shall be verified by the report of said committee, and that it shall appear that such loss has taken place on the business transactions of the company, it shall be lawful for any shareholder to require the discontinuance of said company, as far as can be consistently with law, but subject to the discharge in full of the company's engagements, without stoppage or inconvenience. If other shareholders think proper to continue the concern, they must pay over to the dissentient the then value of his or her share, or what would be its probable value in case of a dissolution, as far as same can be reasonably ascertained by reference to the market value or otherwise." That clause was acted upon on the 17th April, and resolutions precisely in the terms of the clause of the deed of settlement were come to. The committee of 21 were appointed in the terms of that clause. The eight directors were suspended according to the terms of another clause, the 32d clause of the deed; and in truth, according to Mr. Warren's direction, everything was done in the exact terms of the deed, and yet those directors now protest against the legality of the proceedings, and the result is, that there is no remedy except filing a bill against all the partners.

3860. Now in many of the deeds of settlement which are before the Committee, there are provisions introduced of a prudential character, enabling the proprietors to appoint, if they shall so think fit, auditors to examine and verify the balance-sheet, and to report to the proprietors at large upon the results of their investigation; in the event of any obstruction or difficulty being thrown in the way of such audit, is there any existing remedy by which that obligation can be enforced, except through the medium of a bill in equity?—None; and this case of the Agricultural Bank proves the defective state of the present law to demonstration. On the 20th of March, the proprietors at large assembled, and by an unanimous resolution, appointed five auditors; upon those auditors applying for an authority to proceed, the directors disputed the legality of the meeting which they themselves had called for the purpose of appointing auditors. Subsequently, they appointed, of their own authority, four; but if they had declined to appoint auditors, there was no possible means of compelling them to do so except by a bill in equity, which is a remedy that I always avow to be impracticable.

3861. Now you have referred to a clause in the deed of partnership of the Agricultural Bank, by which, in anticipation of these difficulties, an easy and effectual mode is provided for deciding these disputes by reference; you have also stated to the Committee that that is ineffectual for the purpose for which it is intended; now does that want of effect in that clause arise from any defect in the deed of partnership itself, or from the circumstances incidental to the general state of the law of partnership, which refers these people upon the construction of that clause of reference to a bill in equity alone?—It results from both; I look upon this deed, and I speak not only my opinion——

3862. Keep to that clause, if you please, at present.—This clause is most imperfectly prepared.

3863. But now, supposing a clause with that object in view to be prepared by the most skilful conveyancers, do you consider that a clause to that effect so prepared and introduced into the deed of settlement could be effectual for all the purposes intended, the law with respect to these partnerships remaining in its present state?—Undoubtedly not; even with the most careful preparation it must be defective, because there is no mode of compelling unwilling parties to act upon it except by a bill in equity.

3864. Sir *James Graham*.] Is the obstruction at all dependent on the pro-

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portion which the unwilling parties bear to the whole body, or on the very small number of unwilling parties out of the large body who effectually obstruct the settlement?—One single individual holding a 1 *l.* share.

3865. And they drive you to the remedy, such as it is, the usual remedy of a suit in equity?—Certainly.

3866. *Chairman.*] Now applying the question to another branch of the subject, namely, the power of enforcing calls against reluctant shareholders; do you consider the general law to provide inadequately for that contingency?—The 6th Geo. 4, c. 42, and all bills passed for companies enabling them to sue and be sued, accompanied by a well-constructed covenant executed by the shareholder on whom the call is made, will enable the directors to sue through the public officer to recover the calls from the defaulting proprietor; but one of the defects of the present system is, that the law does not require that the parties should sign any contract at all, and in this case of the Agricultural Bank we have the fact recited in the very deed itself, that the business of the company had commenced some months before the deed was prepared; the deed is dated the 1st of December, and I believe the business commenced at Nenagh with a placarded capital of 5,000,000 *l.*, and only a paid capital of little more than 500 *l.*, while the law contemplated a very different state of things, the words of the Act are, "Societies united in Ireland for the purpose of banking." Now of course it was meant by the Legislature that the deed should precede the registry; but it falls short of its intention by the schedule only requiring that the registry should be made, not according to the intention of the Legislature, based upon a previous uniting by contracts into partnership, but according to the books of the company. One of the first amendments which ought to be made in this Act, should be to provide for the enrolment of the deed before registry, with all the partners' names to it, and that no transfer should be legal unless a duplicate of the transfer is deposited at the Stamp-office.

3867. Mr. *O'Connell.*] And enrolled?—And enrolled. It is the only protection you have in such a case as that of Beamish Bernard; in that case it would be quite right for the Legislature to provide expressly, that after the enrolment of the transfer no execution should issue.

3868. Sir *James Graham.*] Has there been any decision of a court of law, establishing the liability of parties who had not signed the deed?—There is no doubt upon that point; no lawyer doubts the fact, because a partnership may, an oral partnership; it is not necessary, according to the law, that a partnership should be constituted by deed, to make a partner responsible. It is sufficient for the public to find his name registered, and any man recovering a judgment is entitled to issue his execution without the risk of an action being brought against him, because there exists no *malé fides* on his part; he finds the party registered, and he takes the remedy the law provides.

3869. Are you sufficiently conversant with the law, as affecting England, to state that the whole of the difficulties which you have enumerated, as bearing upon the joint stock companies in Ireland, extend also to England?—Yes, and to Scotland; and they not merely extend to bank companies, but to other companies.

3870. Mr. *O'Connell.*] All joint stock companies?—All joint stock companies.

3871. You mean joint stock companies, as contradistinguished from chartered companies?—Yes, as contrasted with chartered or incorporated companies.

3872. *Chairman.*] You have stated the necessity of the enrolment of the deed; do you mean to suggest to the Committee that in any future legislation upon this subject, it will be expedient to provide, by distinct prohibition, that no act should take place of a banking character until the deed had been actually completely signed and enrolled?—Undoubtedly; and there is in Ireland at this very moment a case going on, which would justify all precaution. There is now establishing, or I believe actually established, a company called the Southern Bank of Ireland: I have looked to the register of that bank. I know the city of Cork and the commercial character of parties there, probably, as well as most persons, and I do not hesitate to state to this Committee that the registry at the Stamp-office in Dublin by that company exhibits the grossest possible abuse of the Act of Parliament under which it professes to act. I do not believe that there are above 40 or 50 persons registered as shareholders. I do not believe a deed of any kind exists; and as to the credit of those parties,

I should

I should be very sorry to take 500*l.* endorsed by the whole of them; and they have unlimited power, on any statement to the public they think fit, to go forward, and take up any amount of capital they please on their bills and notes.

3873. Mr. *O'Connell.*] When you speak of no deed being executed, you speak of it as matter of belief?—Yes.

3874. When you speak of the number registered, you speak of a thing you have examined?—Yes.

3875. And therefore you speak of that as a matter of fact?—As a matter of fact.

3876. Now, do you happen to know that one of the persons who has set up that scheme is a Mr. Mitchell?—Yes, by Mr. Mitchell, who is the dismissed manager of this Agricultural Bank; Mr. Mackenzie, who was the accountant of the Agricultural Bank; and a Mr. Bennett, who was their manager at Cork, are the parties who are engaged in the Southern Bank of Ireland.

3877. Do you happen to know whether Mr. Bennett's conduct was impeached for behaving fraudulently towards the Agricultural Bank?—It is impeached by the auditors' report, and it was impeached by a declaration of the directors at the public meeting held on the 17th of April last.

3878. Mr. Mitchell had been actually dismissed by them?—Yes; and Mr. Mackenzie is the person who kept the accounts, as all parties admit, in the manner in which that Agricultural Bank accounts were kept.

3879. *Chairman.*] Then do you consider that the law is defective in the present case in not taking adequate precaution with respect to the steps taken by these banks before they commence business?—Yes; at the time this very Act was going to be brought in, I did all I possibly could to induce the Bank of Ireland to consent to the repeal of the previous one, and to allow the Provincial Bank of Ireland to take a separate bill regulating itself consistently with the Bank of Ireland's privileges; to allow the only other bank then existing, which was the Northern Bank, to do the same; and to lay it down as a principle that each bank, when about to be established, should either apply to the Crown for a charter, or to Parliament for an Act of incorporation; in either of which cases the Bank of Ireland and all existing banks would have had the opportunity of imposing conditions and watching the project about to be established and ascertaining that the parties were really such as the public ought to deal with; that they had paid up their capital, and that they were solvent and competent managers; and I could put in the correspondence, if the Committee thought fit, with the Bank of Ireland, detailing those suggestions, and anticipating the establishment of banks under the law as it was about to pass, such as we have to regret had power to exist for an hour.

3880. Sir *James Graham.*] Do the Acts, regulating joint stock banks, provide summary remedies against these large bodies as between the public and them?—Yes, a complete remedy.

3881. But they have not changed the law as it relates to partnership among the different members of those bodies themselves?—No, that is the special defect.

3882. Mr. *O'Connell.*] That is not sufficiently changed?—No.

3883. Sir *James Graham.*] Have they changed the law of partnership in any respect as between the partners themselves?—Yes; if a partner has a sum of money due to him by the bank, or a contract with the bank or with his other partners, he can sue, through the public officer, for the money, and can be sued by the public officer for the money he owes. So far as that goes, the law is altered. He can sue at law; but if he comes to enforce a provision, such as one of the provisions I have read, as against his partners, he must assemble them all by making them parties to the suit, because the court of equity will hold (no matter what it is he proposes to do) each partner is interested in the question, and that all must be present.

3884. Then the difficulty arises in this case from the great number of the partners; in other respects the law stands with regard to these parties as it affects all other partnership concerns?—Yes.

3885. The difficulty arises from the number?—The difficulty arises from the number.

3886. Mr. *O'Connell.*] But even in common partnerships, there is nothing more familiar to a legal mind than that the law is in an unsatisfactory state as between common partners?—Certainly, most unsatisfactory; and the power of

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forming oral partnerships is both insecure for the individuals who form them and for the public who deal with them.

3887. And the want of remedy as between themselves?—Yes, and the want of remedy as between themselves.

3888. *Chairman.*] Supposing a deed of partnership prepared for one of these joint stock banks, is there any adequate security at the present moment that that deed of partnership shall contain such provisions, and such provisions only, as are calculated to advance the interest of the partnership, and to secure the interests of the public?—Certainly not; there is no provision at all, either to protect the partners or the public.

3889. How are these matters generally regulated; you have been familiar with joint stock banks: supposing a company proposed to be formed to-morrow for banking purposes, what, according to the general habit, would be the steps taken by them in reference to their deed of settlement?—The usual course would be to send the instructions for the formation of the deed to some very eminent counsel; we have got numerous precedents, which are almost invariably followed, and the conveyancer's duty is to adapt them to the peculiar circumstances of the company. I have read a vast number of deeds for various companies, and prepared a great number myself, as well as Acts of Parliament, and I agree with all the counsel who have been consulted upon this Agricultural Bank deed, that it must have been intentionally framed to entrap the shareholders and give the directors undue powers, while it does not give a sufficient control over them; it is what we technically call "a fraudulent contract."

3890. Then the course would be, that the directors, or those who were concerned in the formation of the company, would advise with their lawyers, and prepare a deed of settlement according to their best judgment?—Yes.

3891. There is no controlling authority, therefore, that affords any protection to the public, beyond the mere reliance upon the character and upon the caution of those who are originally engaged?—None whatever.

3892. Supposing that deed of settlement signed by a certain number, and that the issue of shares then takes place, and the transfer of shares, are all the parties to whom those shares are transferred, made, by reason of the acceptance of such transfer, parties to the deed of settlement?—Undoubtedly they all are.

3893. Are there any sufficient steps taken to insure to those parties so accepting the transfer, and incurring the responsibility of the deed, a knowledge of what that deed contains?—No; I dare say 99 out of 100 do not know anything at all about the deed.

3894. Then do you consider it would be expedient, in any alteration of the law, to take measures, either by legislation or otherwise, to insure that the deeds were such as the public interests and the private objects of the company would both regulate?—It ought to be done as soon as it is possible. I know no greater evil to exist among the community than the working of the present system; if deeds are to continue to be the instruments to form the constitution of joint stock banks, their deeds ought to be prepared by the executive government, or under their direction.

3895. By some responsible authority?—Yes; no parties should be permitted to frame deeds according to their pleasure, and every person coming forward for banking or other purposes, should conform to such regulations as are thought fit to be made for the public, and for partnerships generally.

3896. Can you exemplify any inconveniences which arise from the want of some such supervision and control of the deeds of partnership, by any reference to the deed of partnership now before you?—This deed of partnership now before me, is the most defective I have ever seen, so far as the rights of the shareholders are concerned. It gives them a right of calling meetings for any special purpose that might take place, signed by 31 or more shareholders; that requisition, in the first instance, is to go to the directors, and if the directors delay for 10 days calling the meeting as required, then it is to go to the secretary of the company; but it stops there. There is no mode of enforcing either the directors or the secretary to hold the meeting, and there is no authority for the shareholders to hold a meeting as of their own authority; and it is described by Messrs. Warren and Pigot in this language: "We are of opinion that no means exist of effectually enforcing the resolutions passed the 17th April. The deed of 1836 exhibits one defect (and so does the deed of 1834), which runs through

through the whole frame of it, namely, that no means are provided for carrying into effect the rights given to the shareholders without the concurrence of the consulting committee. The result is, that the only course for obtaining redress, when the consulting committee dispute what the shareholders demand, is a bill in a court of equity, and that proceeding must, as we have stated in a former opinion, have for its object, not the carrying on of the business of the concern (which a court of equity will not interfere to aid), but the total dissolution of the company and the winding up of its affairs."

3897. Do you consider that the defects which exist in that deed are so obvious, that if it had been submitted to any due authority, that authority would, as a matter of course, and as a matter of necessity, have corrected that imperfection?—Unquestionably; it is a matter of great surprise to me, when I look at this deed, that I find it avowed that it was framed by a gentleman claiming the legal rank of barrister.

3898. Sir *James Graham.*] While the law of partnership, such as you have described as affecting joint stock companies, remains unchanged, could any care or skill in framing the deed obviate the difficulties which you have enumerated?—Not all: I think deeds might be framed which would obviate many. There might be a provision, for instance, in the deed itself, to exclude parties from pleas in abatement, which is the great difficulty.

3899. Mr. *O'Connell.*] But though a court of law would preclude a person, by setting aside the plea in abatement, do not you think a court of equity would require to have the party before the court?—The court of equity would, undoubtedly; I was alluding to a court of law.

3900. Well, then, frame the deed ever so skilfully; make your clauses ever so minute; if any one of the shareholders disputes the facts which must be connected with any operation coming within those clauses, you are still as much at sea as if the deed were badly prepared?—Unquestionably.

3901. And the only remedy in that case, on the best prepared deed, is a suit in equity?—The only remedy.

3902. So that, although care in preparing the deed may be useful as with regard to the facts in litigation, when you come into a court of equity, you cannot so prepare the deed as to preclude a single partner from going into a court of equity if he chooses?—Certainly not.

3903. Or from driving those to whom he is adverse into a court of equity?—Certainly not.

3904. At this present moment, is there a single man who was a shareholder in the Agricultural Bank that is safe from the misconduct, or even the fraud if they were capable of being guilty of it, of the managing committee?—Undoubtedly not; and I do not hesitate one moment stating, that if I had the means, either at law or otherwise, of proving the facts, that I would establish fraud and gross misconduct against some of the present and late directors and officers of it, and yet my clients have no remedy against them.

3905. Sir *James Graham.*] You have stated this deed to be an imperfect deed?—Yes.

3906. But if the deed be framed so as to obviate the imperfection to which you allude, still a refractory party might drive parties wishing to escape into a suit in equity?—Certainly; in this identical case there are eight directors legally suspended; according to the deed, they are legally suspended; and yet, against the opinions of the most eminent counsel, they continue to act, notwithstanding that suspension; and there is no possible remedy for the partners, whose funds they have, and whose fortunes are responsible for all their acts, except a suit in a court of equity, which, as I stated before, requires four thousand odd hundred persons to be before the court.

3907. Mr. *O'Connell.*] When you spoke of the new registry for 1837 being nearly double, are you apprised whether the registry of 1837 includes all the same names as the registry of 1836?—A great number. I do not know exactly whether it contains all; but nearly all, and the increase is by addition; and one of the difficulties that arises is this, that if I file a bill against the four thousand and odd hundred, and next day there is a new shareholder, I must make him a party; if a party dies, my suit is abated; if a party becomes bankrupt, my suit is abated; in fact, every change of life; and in this case of the Agricultural Bank I know, as a fact, that there are a great number of minors, nay, mere children, registered as shareholders.

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3908. The name of the father and the son being the same?—Yes. I examined the very first registry that took place, and knowing the city of Limerick very well, on looking over the list, I found the minor children of several gentlemen who thought fit to connect themselves with the bank, registered as shareholders, while the fathers were not registered. This could be prevented by compelling the parties to execute a deed before registry, and obliging the attesting witnesses to verify the fact that all the partners were, or appear to witness to be, of full age when executing the deed.

3909. Sir *James Graham.*] Then in practice, it should seem you would be turned round on upon any omission or any error?—Yes.

3910. Mr. *O'Connell.*] And in such a suit, the minors must have guardians appear for them?—Yes.

3911. And in case of death, you could not proceed to revive until a personal representative was set up?—No; the personal representatives must be parties.

3912. And it would take 12 months to set up a single representative *in invitum*?—Yes.

3913. Mr. *Hamilton.*] Does that difficulty apply to the party suing?—It does not apply to a stranger; it applies to a partner.

3914. You stated there was great difficulty and expense, amounting almost to impossibility, in obtaining a remedy; in the event of a refractory partner seeking to debar his copartners from the remedy, does he not experience the same difficulty and expense?—He would undoubtedly risk all his expense, and he would have the same difficulty.

3915. Mr. *O'Connell.*] You spoke of the Southern Bank of Ireland?—Yes.

3916. Do you remember any of the other persons registered?—Yes; there was Mr. Henry Kellett, of Cork, he registered; he was a director of the Agricultural Bank establishment at Cork.

3917. *Chairman.*] You have stated that however carefully framed the deeds of settlement might be, that still, if the law remains in its present condition, upon the construction of the deed so perfect in its own nature there might still arise all the difficulties of the necessity of filing a bill in a court of equity; now I wish to know whether, supposing those difficulties were removed and a more complete remedy than now exists in the court of equity afforded for the sake of the partners *inter se*, it would not still be necessary and expedient to take precautionary measures that the deeds of settlement were framed in such a manner as would diminish the chance of contest amongst the partners?—Undoubtedly.

Mercurii, 7° die Junii, 1837.

MEMBERS PRESENT.

Mr. Attwood.	Mr. Loch.
Mr. Hamilton.	Mr. Pattison.
Mr. Jephson.	Sir John Wrottesley.

MR. JEPHSON, IN THE CHAIR.

Peirce Mahony, Esq., called in; and further Examined.

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3918. *Chairman.*] HAVE you any further observations to make as to the defective state of the Banking Law of Ireland, or generally of this country?—Yes. The Acts relating to the Joint Stock Banks, as I before stated, are the 6 Geo. 4, c. 42, which embodies the provisions of two previous Acts, the 1 Geo. 4, and the 5 Geo. 4; the other Acts are the 9 Geo. 4, c. 81, and the 1 & 2 Will. 4, c. 82.

3919. Sir *J. Wrottesley.*] Do those relate to the empire at large?—No. These are confined to Ireland; the English and Scotch Joint Stock Banks are regulated by Acts similar in details, with the exception of the 9 Geo. 4, c. 81, the provisions of

of which have not been introduced into England or Scotland. The general Act for England is the 7 Geo. 4, c. 46.

3920. In what manner does the 9 Geo. 4 differ from the English Act?—The 9 Geo. 4, that I have referred to here, makes notes payable at the places of issue in Ireland, and I do not know that any such provision exists in regard to English banks. With respect to the 6 Geo. 4, c. 42, the mischiefs have chiefly arisen by the uncontrolled power of any number of persons exceeding six, to proceed under that Act, without taking any preliminary steps except the mere collection of names in a book, whether the parties have paid capital or not, and registering them under the terms of the first schedule as partners, according as they appear in the book of the society. This led, in the case of the Agricultural Bank, to the registry of that establishment, before any deed of co-partnership was framed, as appears by the recital of that company's deed, bearing date the 1st of December 1834.

3921. Mr. *Hamilton.*] On what document, or by what authority are names registered in the way you have stated?—Without any kind of authority that I know of. If any person, however unauthorised, were to insert the names of parties as subscribers in the books of the company, that would be sufficient to justify the officer in making the registry and the affidavit required by the law, and in this very case I happened to know that in the first registry of names that was sent to the Stamp-office, the name of Mr. Gresham was entered as a subscriber to the company. Upon my seeing it I informed Mr. Gresham of the fact; he stated that he never had taken shares at the time in the company, and did not intend to do so, and he got his solicitor to require that his name should be withdrawn.

3922. Do you mean to say that a verbal authority would be sufficient to authorise the registration of the name?—A verbal authority to enter the name upon the books would answer, and if the name appeared upon the books once, that would be quite sufficient to enter the name of the party in the registry without his having paid or contracted to pay a shilling in money to the stock of the company.

3923. And you know that names have been entered without even a verbal authority?—In that case of Mr. Gresham, I know that his name was entered without even a verbal authority, and it was afterwards withdrawn.

3924. Can you state whether the officer who so entered the name would be liable to any legal punishment?—Certainly not, unless it could be shown that he registered it corruptly. If it appeared upon the books of the company that alone would be sufficient to justify him.

3925. *Chairman.*] Is this a defect in the law applying particularly to Ireland?—No; it relates to England and to Scotland, as well as to Ireland.

3926. Mr. *Hamilton.*] Can you state how far, by removing, as you state Mr. Gresham did, his name from the registry, he would be absolved from responsibility?—In that case it so happened that the first registry was very imperfectly copied, and the comptroller of the Stamp-office refused to receive it as matter of record, and he required a new one fairly written out without interlineations or erasures to be substituted; and Mr. Gresham having come to a knowledge that his name was tendered for registry in that way at the Stamp-office, immediately took measures, through his solicitor, to require that his name should be omitted in the one that was about to be substituted, and that was accordingly done. If, however, he had remained registered, he would have been responsible to the public, though he never did any act acknowledging himself as a partner, and he would have been liable to all the consequences of partnership; his remedy would be only against those who so improperly registered him.

3927. *Chairman.*] Is the fact of a name appearing registered sufficient evidence to entitle any person who might get a verdict against the company to issue execution against the individual whose name appears so registered?—Unquestionably.

3928. Whether such registration took place with his knowledge or without it?—Certainly, with his knowledge or without it.

3929. Are there any other defects in the present state of the law?—Another and most important defect in the state of the law is, that while it holds out encouragement to the formation of large bodies of partners, and evidently points to the investment of large amounts of capital, such as individuals were not likely to have invested in similar undertakings, any number of persons might afterwards, without paying a farthing of capital, and merely upon the credit of their trading name, deal with the public whether they were solvent or whether they were insol-

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vent. In exemplification of this, I may state from full authority and admission, the manner in which the Agricultural Bank commenced. I understand it is conceded by all parties, that the first establishment of the Agricultural Bank was formed and opened at Nenagh and elsewhere before the deed of settlement was prepared; and the paid-up capital of the company, by one account, stated to me was only 500*l.*, but by the most exaggerated account was 1,800*l.*, while the capital announced to the company was five millions. Another leading defect arises from a departure from the principle wisely laid down by the Legislature in an Act passed in the 4 & 5 Will. 4, c. 94, enabling the Crown to invest trading and other companies with power necessary for the due conduct of their affairs, and for the security of the rights and interests of their creditors. If the principle of that Act had been applied generally and particularly to banking companies, it would have given nearly all the remedies that I should suggest. That Act provides "that in all cases where such letters patent shall be granted to any such company or body of persons, it shall and may be lawful in all suits or proceedings in equity, commenced or instituted against the principal officer or officers of such company or body of persons, to join for the purpose of discovery in such suits or proceedings, any member or members of such company as the nominal defendant or defendants for or on behalf of such company." It would be very useful if that were enlarged so as to meet such a case as that of the Agricultural Bank, or I may add, in England the Northern and Central, standing in the very same way, by making a provision that where the plaintiffs only sought to correct the conduct of the directors and to seek remedy against them for misappropriation of funds or mismanagement, it should be only necessary that they should be parties defendants, they being the only persons against whom relief was sought. If the principle of that Act had already been so applied, the Crown through the Board of Trade would have power to direct all the details of the deed of settlement which was prepared between the parties, or of the charter, if they thought fit to regulate these companies by charter. I prefer very much a charter to a deed of settlement, because if a charter is granted, the Crown has got a summary remedy in case of abuse, by *scire facias*, to recal the charter, and that ought to be a power continued in the Crown and even enlarged so as to prevent abuses. In any new arrangement of the law, provision should likewise be made, particularly as to joint stock banks, for the regulation of the internal management, and that the Crown may from time to time call for information and appoint inspectors. With regard to circulation this is most important, as one fact is beyond all dispute admitted by all parties connected with the agricultural bank, and that is, that they kept no registry whatever of the notes they issued or the notes they retired. The Crown is entitled to a per-centage charge for the issue of the bank, and it was, under such circumstances, not possible for this company or for the Crown to ascertain with any accuracy, either the amount of circulation or the amount of duty payable.

3930. Mr. *Hamilton.*] Is there any obligation under the existing law on the company to keep a register of their notes?—There is an implied obligation, and it ought to have been kept under the provisions of the 9 Geo. 4, c. 80, which is the Irish Act as to licences and keeping accounts of the bank's circulation. The English Act relating to the same subject is the 3 & 4 Will. 4, c. 83; both those Acts provide that a statement of the circulation should be kept, and the company gives bond for the payment of the duty; but it does not provide effectually, as in the case I have stated, for its being done in the shape of a recorded document, either sent to the Stamp-office or kept by the company.

3931. *Chairman.*] This defect in the law is also common to the three countries?—It is.

3932. Can you suggest any remedy for this state of the law?—If these companies are to continue to act under deeds of settlement, I should propose that no company for banking should be registered till the following conditions were attended to: First, that the draft of the proposed deed of settlement should be transmitted to the Board of Trade, accompanied by a memorial from the parties interested in the proposed bank, stating the necessity for the establishment of the bank, the places at which they propose to open their establishments; their names, their residence, their occupations, and their rank; the amount of the capital they propose to subscribe; the amount they propose to pay upon each share for a deposit; the number of shares each party had taken, and the sum he had paid; the names of the directors who were proposed to manage the establishment; and that all this should be verified to the Board of Trade by affidavit. That being done, I should suggest that

that a notice should be inserted in the London and Dublin Gazettes, three months before the deed should be approved of; this provision would be similar to the one contained in the 4 & 5 Will. 4, c. 92, enabling the Crown to grant charters, and it would give the public an opportunity, especially if the publication was made locally at the expense of the parties setting forth the nature of the memorial forwarded to the Board of Trade, to come forward with any representations that they thought fit, either in favour or against the measure, for the information of the Board of Trade. The deed being prepared upon some general principle, such as may be deemed most expedient for the due government of those bodies, and being approved of by the Board of Trade, should then be executed by all the partners in duplicate; the deposits on shares being also paid up as may be directed by the Board of Trade; on all this being done and proved to the satisfaction of the Board of Trade, I should suggest that the deed should be transmitted officially from the Board of Trade to the proper office for enrolment in England, Ireland, or Scotland, as the case may be, there to be enrolled as matter of record, and then that it should be transmitted to the Stamp-office, there to remain for the inspection of all parties interested. The effect of this would be to identify beyond all doubt the parties who were responsible to the public, and upon that, and that only, should a registry be made; thus the company may preserve one part of the deed, and the public and the shareholders would always have access to the other; such a deed should provide a form of transfer, and no transfer should be deemed legal unless made in that form, and signed in duplicate by the buyer and the seller, one copy deposited with the company, and the other deposited at the Stamp-office. From these transfers and the original deed, should be prepared an annual verified statement as to existing shareholders. This is but a repetition of the principles suggested by me to a former Committee of this House on private business, in which I proposed that either charters should be granted to each particular company, or general Acts of Parliament being passed regulating all railways, banks, canals, land improvements, and other companies, special Acts of Parliament should be brought in shortly referring to the general act of each particular class, and extending its provisions to that particular company, together with any peculiarities referable to the particular case. The effect of that would be, to have an uniform system of legislation for each particular class of company, which is not now the case. It would save an enormous expense in repeating the same words many hundred times over for each company in every year, and it would give to courts of justice the means of coming to decisions that would govern the general law. As to existing banks, under the present law a very great difficulty exists; and in any amendment of the law which may take place I should suggest that a power should be given to the Board of Trade, to force, in some summary manner, these parties either to take out charters regulated according as may be deemed necessary for the safety of the public, in substitution for their existing deeds, or to amend their deeds; and that those deeds, as amended according to the directions of the Board of Trade, should be deemed to be as valid as if all the partners had signed them. Great objections might arise to adopting the latter suggestion, as it may be said, that it would be very hard to bind parties to an instrument which they had not signed; but I believe that a great majority of the company's deeds will be found to contain a clause authorising the company to apply for a charter or a special Act of Parliament. Where no such clause as that exists, then the remedy should be by Act of Parliament instead of a charter. But where such clauses give power to the directors of the company to apply for one or the other, there can be no legal difficulty in their exercising that power. That difficulty is presented in the very case before me, of the agricultural deed; for there is no power given in it either to apply for an Act of Parliament or to apply for a charter. Unless the Legislature interposes in the strongest manner, it is not possible for the four thousand odd hundred persons who were engaged in this company effectually to amend their deed, for if one single person holding a share shall think fit to dispute their right, the remedy would be in that case a bill in the Court of Chancery, the machinery of which I described yesterday as amounting to so decided an impediment as to be no remedy at all. To remedy this defect, I would recommend the passing of an Act amending the Joint Stock Banking Acts, both of England, Ireland, and Scotland, upon the principle of the Act Geo. 4, c. 94, authorising the Crown to grant charters, and enabling a plaintiff to file a bill against any number of the partners against whom he sought relief, to the exclusion of the others, leaving any other person, upon cause shown to the satis-

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faction of the court, to justify him in claiming to be a party to the suit, under the penalty of course of costs, and at the discretion of the court to grant or refuse his application.

3933. Would it not be fairer to the body of proprietors, that any individual who felt himself aggrieved should have the power of suing the public officer of the company instead of enabling him to sue any individual of that company?—Suing the public officer of the company would not be sufficient for the cases which I refer to. As, for instance, in the case of seeking to suspend directors; to control directors for mismanagement; to call them to account for not doing what their deed of settlement directed they should do. The object of the suit would be simply to control them, and it would only be necessary that they should answer the charges upon oath made against them. I should therefore propose, that in addition to making the public officer a party, he representing the whole company, it should be in the power of the plaintiff to make any individual member of the direction or of the company parties to the suit, in order to have a personal remedy against the person so brought, in addition to the public officer before the court.

3934. Then you qualify your previous answer by restricting the suit to be commenced to a suit against one of the individuals who are charged with mismanagement?—Against all the individuals charged with mismanagement as directors. As in the case of a suspension of one or more directors, nothing more being desired than that they should be suspended or removed, I would give the parties who thought fit to apply against them, and the public officer without making any others parties to the suit; the public officer who represented the whole company should be a party in order to bind the company at large.

3935. Sir *J. Wrottesley.*] Supposing a large number of partners had proposed to become parties to a suit, would not the difficulties you have stated by the death of partners be equally increased?—Undoubtedly; as you increase the number of parties to the suit, you increase the difficulty of bringing the suit to a hearing. But in suggesting that parties may be at liberty to come in and defend, if they think fit, I have likewise suggested that it should only be on special application to the court, and the court should be enabled to judge of the reasonableness or unreasonableness of the application so made, and to decide accordingly. I make that observation in order not to go the length of stating that parties' rights should be interfered with without their knowledge, and without their having an opportunity, if they think fit, to defend their rights. It would be still in the discretion of the court to admit or reject, as parties to the suit, the persons so applying; they would be responsible for the costs of their application, and liable to such rules, applicable to each particular case, as the court thought fit to make, so as to prevent and check vexatious litigation.

3936. *Chairman.*] Do you conceive that the present state of the law is such as to oblige the parties in a bank to give a fair representation of the amount of their circulation in notes?—Certainly not; they give merely a return according to the belief of any particular officer of the bank appointed for the purpose, and that is lodged at the Stamp-office. I should propose that the Stamp-office should furnish to each bank a form of registry to be kept, both of issued and retired paper; and that the officers of the Stamp-office should be authorised at stated periods to examine that registry with the returns made, so as, on the part of the public and the Government, to ascertain that it has been kept regularly and faithfully, and that the return made to the Stamp-office from it is a true return. No banking establishment well regulated can by possibility object, as in truth all who are so regulated do keep their note account as I suggest, and there is no ground upon which they could reasonably refuse an inspection of such books, as they are now obliged to make a return, which is supposed to be correct, of what their issues are. When they could issue without such a return, then it might have been called an unreasonable scrutiny on the part of the Stamp-office; but now that the law is altered they cannot object to an inquiry, to show that the law is fully attended to. All banks should be compelled to compound for their issues, and to keep the registry of issued and retired notes which I now suggest.

3937. How would this periodical inspection check books which had been either fraudulently or negligently kept?—In the case of fraud or negligence it is very difficult to provide a complete remedy, for the ingenuity of parties will enable them to continue the system of fraud. But that is one of the reasons why a charter is preferable to a deed; for if a charter provides specially that particular things are to be done, and those are not done, there is a summary remedy by the Attorney-General

Attorney-General issuing a *scire facias* to bring the matter before the court, and upon proof that the terms of the charter have been violated, it is recalled.

3938. Sir *J. Wrottesley.*] Are all banks obliged to compound for their stamps in Ireland?—I believe they are; and, in point of fact, they all have compounded.

3939. Supposing that the Irish law was assimilated to the English, in which the banks are not obliged to compound; those who objected to the Stamp-office inspection might withhold their desire to compound?—They might.

3940. Under such circumstances, would you give a power to the inspectors to recommend to the Stamp-office to withhold compounding with persons whose register of their notes was imperfect?—Certainly, I would give the most absolute control to provide as well the safety of the revenue as the safety of the public from improper returns being made of the circulation of these banks.

3941. *Chairman.*] From the answer you have given, are the Committee to understand that you consider that composition is the only source of false returns in case of issues?—No.

3942. May a bank not compounding also keep incorrect accounts of their issues either through fraud or negligence?—Unquestionably, but I consider that it is the right of the public, when they give privileges to parties to create at their will a circulating medium, to control the mode in which that is to be conducted, so as to ensure the public safety to the greatest possible extent.

3943. May not this objection be made to your remedy, that it is ineffective in the case of a bank that wishes to act fraudulently or acts negligently, and that it is only effective in cases where there is no necessity for the remedy, as in the case of a bank whose books are properly kept?—Certainly; but it is to meet the very cases that the question suggests that I make the proposal; if we had banks properly managed we would have no necessity for controlling and registering at all; the public would be safe, and the parties would be content.

3944. Have you ever considered whether it would be possible to frame any check upon the issues of a bank, which should meet the possibility either of fraud or of negligence?—Decidedly; if, according to the suggestions I have made, the Board of Trade shall settle either a deed of settlement or a charter determining what the capital of the company shall be? how much of that capital shall be paid up and invested before the banking business commences? and having ascertained the solvency or insolvency of the parties projecting the bank, they could also add any condition the Government may think fit, regulating how much shall be the issue of the bank at any one given time in reference to its paid capital; as, for instance, suppose a capital of a million of money paid up, they could regulate how much bullion shall be kept as against the issue *pro ratâ*, and how much that issue shall be; I would say, for example, that the issue should never be more than double the amount of paid-up capital, and that a deposit in gold should be made equivalent to one-fifth part of the notes of each bank in circulation. Thus upon a paid capital of a million, the issue may be two millions, provided the bullion in the coffers of the bank was at the least 500,000 *l.*. and so in proportion.

3945. What is the Act that has made the notes payable at the place of issue, and what is the operation of that Act; are its provisions evaded in any way?—The 9 Geo. 4, c. 81, making the promissory notes of banking companies in Ireland payable at the places of issue, was passed for the purpose of putting joint stock banks having establishments beyond fifty miles from Dublin, upon an equality with the Bank of Ireland, that is by forcing the Bank of Ireland to make its notes payable at the branches where issued; their custom being, before the passing of that Act, to make their notes, issued at Cork and elsewhere, payable at Dublin only; and the effect being, that, during a run at Cork upon other banks, the notes of those banks were selling at a premium, in exchange for Bank of Ireland notes, on account of the parties being able to get gold for the one and not for the other. That occurred, as well as I recollect, early in the year 1828. The Act was intended to prevent the issue of notes, unless payable at the place of issue by any bank; but it has been evaded by a system of what is called Agents, or sub-branches. For instance, a note payable at Limerick might be issued at Nenagh, not payable at Nenagh, and only payable at Limerick. The state of the law which required that enactment, has been totally altered since it was passed by the 1 Will. 4, c. 32. In 1828, the Bank of Ireland insisted that no banks could pay their notes, much less make them payable in Dublin. The 1 Will. 4, c. 32, was passed chiefly for the purpose of removing doubts upon that subject; and it expressly provides that those banks may pay their notes in Dublin for the purpose of withdrawing

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drawing them from circulation in Dublin, or within fifty miles of late Irish measurement by any banker, agent, or correspondent, or any other person or persons, on behalf of such society or copartnership. The inconvenience of making all those notes payable at the place of issue has, I believe, been generally felt by all the Irish banks. Since 1825, the number of branch banks established in Ireland has been very great indeed; and, in times of panic or run, the quantity of gold necessary to protect the different establishments has been far beyond the real necessity of the case. From the experience I have had of the working of joint stock banks in Ireland, and particularly of the Provincial Bank since its establishment at Cork in 1835, I should say that, without risk to the public, the number of places at which notes should be payable might be materially reduced. And I believe that I speak with the concurrence not merely of their officers, but of those of all other banking establishments, when I state, that a general opinion prevails that there should be three places of payment in gold for Ireland, and three only; that those should be Dublin, Cork, and Belfast; thus giving to the north and south a convenient access to get gold in exchange for notes when they thought fit, without putting the banks to the ruinous expense of keeping depôts of gold, without any means of ascertaining how much may be wanting, at all their various branches.

3946. Mr. *Hamilton.*] Do you happen to know whether the law or the practice, with respect to the payment in gold, is the same in Scotland as in Ireland?—No; I believe there is no similar Act of Parliament applicable to England or to Scotland, with the exception of the last Act renewing the Bank of England charter. That Act provides, that where the Bank of England establishes a branch, it shall be bound to pay its notes issued at the branch there, and in London also; but I do not believe it applies generally to bankers in England, and certainly not to Scotland.

3947. *Chairman.*] How would the public who receive the note, be apprised where they might receive gold for it?—By the contract upon the face of the note, which would declare that the note is payable at the office of the company; say at Cork, or at the office of the company at Dublin, or Belfast, as the case may be. Now, as to the Provincial Bank, that is invariably the case; the note states that the payment is to be made at the place where it was *bonâ fide* issued; and in point of practice, it is paid wherever presented. With respect to Scotland, the practice is, and consistent with the law, to make the notes, wherever issued, payable at Edinburgh only, and there is no law to the contrary. With respect to England, bankers may make similar contracts upon the face of their notes, with the exception of the Bank of England, for by the 7 Geo. 4, c. 46, s. 15, it is declared, "That in any place where the trade and business of banking shall be carried on for and on behalf of the governor and company of the Bank of England, any promissory note issued on their account in such place shall be made payable in coin in such place as well as in London."

3948. Is there a double contract on the English note that it shall be made payable both at the place of issue and in London?—That is the case in reference to Bank of England notes only.

3949. Is not the necessity which at present exists of paying the notes in gold at the place of issue a most effectual check upon the general management of the bank at that branch?—No; I do not consider that it is. The only check that the public can rely upon is, the sound discretion of those who govern the bank generally. The conduct of individual branches does not give sufficient protection; because if you have one branch well managed, and another negligently or fraudulently managed, the effect will be injurious to both alike, they being under one common responsibility. The great check is, to have proper directors and an efficient control. I doubt very much the policy of having allowed banks to have numerous branches. I think they are in Ireland too numerous, and it requires almost a superhuman management to control them all efficiently. One of the great advantages of giving a control, as I suggested, to the Board of Trade, as representing the Crown, is, that when an application was made for establishing a bank, some sufficient ground should be shown that it was really wanting, and would be serviceable to the public: and that it was not a mere speculation by individuals incompetent to manage an establishment of the kind. If that discretion and control were given to the Board of Trade, the commissioners will, of course, decide on all matters of detail, as to the amount of capital, the time for paying the instalments, the places where it should be permitted to trade, &c., so as to protect the public against the present abuses. This is no new opinion of mine, for I urged it upon the Bank of Ireland, when the 6 Geo. 4, c. 42, was about

to

to be passed; and I stated that the time would arrive, if banking establishments were tempting in point of profit, when others would arise that would be ruinous to the public and injurious to the existing banks; that opinion, given by me in 1825, has been fully confirmed by the speculations of last year, both in England and in Ireland.

3950. Mr. *Hamilton.*] Can you state practically whether, during the late runs, any inconvenience has been sustained in consequence of the state of the law as regards payment in gold at branches in Ireland in the cases of banks, the solvency of which was not called in question?—Unquestionably; the supply of gold which the Provincial bank had in Ireland was vastly beyond any demand made or likely to have been made upon it, and it was extremely inconvenient to the public generally that so large a mass should have been suddenly taken out of the coffers of the Bank of England; but it was necessary, the Provincial Bank not knowing at what points the demand would arise.

3951. *Chairman.*] Has it not proved the solvency of those banks which have withstood the run, and have not the public thereby gained confidence in them?—Undoubtedly it was the best test both of their management and solvency. But those tests are very expensive and injurious, because while the pressure existed it was the public interest that the solvent banks should have the power of coming to the aid of the public instead of increasing the commercial pressure; while with such a run over the country, and not knowing what might be the amount demanded, it was the duty of the banks to curtail their accommodation to merchants, and that very much increased the general distress of the country.

3952. Supposing that three places of payment were established in Ireland, at Belfast, Dublin, and Cork, as you have suggested, would not the trading interest of Limerick and Galway, both of which would be distant from either of the places of issue, be put frequently to serious inconvenience from the difficulty of obtaining gold?—No. The use of gold for export is very little in Ireland; it is scarcely ever resorted to, unless when there is a panic or a run; the Provincial Bank has encountered several runs from various circumstances, sometimes political, at other times commercial. The severest run we ever had was in 1828; that was a mere political run. Then again, in 1831, we had another from merely political causes, without any commercial necessity whatever. If proper provision be made, so that a sufficient amount of capital is paid up, and that solvent partners shall be bound to the public fully and effectually for their engagements, I think there will be no danger whatever resulting from lessening the number of places at which bank notes shall in future be made payable. I have named Cork, Belfast, and Dublin, as the places of the greatest export in Ireland.

3953. Are there any banks in Ireland, of which the branches are at all independent of the parent bank, as to their management?—Not independent of the parent bank, but independent of the other branches. The case is that of the National Bank. That is a company formed in London, of which the proprietors are partners in various branches in Ireland, the partners of those various branches not being partners in other branch banks or in the parent company. I think that is a most inconvenient constitution; and if anything like difficulty or dispute arises between such establishments, I know of no practical means for settling their disputes or accounts.

3954. Are you aware that this inconvenience has already arisen, that separate branches, considering themselves as independent banks, are in the habit of collecting the notes of other branches, though belonging to the same establishment, and sending them for payment as if they were rival banks?—Of course there would be a natural *esprit du corps*, as one branch naturally likes to make more profit than its neighbour; indeed it is their interest to do so. The abuses of banking have gone further in Ireland this year; indeed it is perfectly notorious that some of the banks were in the habit of employing agents to go about to the fairs and markets for the express purpose of picking up the notes of rival establishments, and then sending them in for payment; it went so far that agents were employed solely for this purpose. How the expense was covered I cannot tell, but that the system was extensive is beyond all doubt.

3955. How can such a system of independence of branch banks be regulated by any legislative interference?—If the suggestions I have made were adopted, it would be in the power of the Board of Trade effectually to prevent such a system, unless in their discretion, upon a review of it, it was thought better than what I have suggested. The difficulty of control by the head establishment from those banks being independent of each other is greatly increased.

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3956. Mr. *Hamilton.*] Have you not heard that in the case of at least one branch of the Agricultural Bank in the North of Ireland, there was an independence of the parent bank in Dublin endeavoured to be asserted?—By the deed of 1836 it was intended to give a *quasi* independence to the Belfast branch; it was done in a most defective manner; but still it appears from the frame of the deed that it was so intended. They were at liberty to elect their own officers and directors, and that is one of the causes of the late disputes.

3957. You have suggested that there should be a general law introduced for the regulation of banking, and that all future deeds of settlement should have reference to that general law; are you aware whether such a practice exists in America or not?—The practice in America, as I understand it, is, that the State Legislature regulates by Act of Parliament each bank.

3958. Have you anything to state relative to obliging the directors to take security from their officers?—I think it should be imperative on the directors, in every case, to take sufficient security from all the officers and persons employed by them in their banking concerns; and I think this should be a subject for the consideration of the Board of Trade, in framing either the charter or the deed of settlement. It is of importance now, in preparing acts of incorporation, to make provisions of that description by them. I have known the greatest abuse and litigation arise from want of due care in taking security from the officers of such establishments, in whom unlimited confidence was reposed, and who gave no security.

3959. Is not the necessity for giving security by the officers embodied in the deed of settlement of the very bank you refer to, in which you state that security was not given?—It is embodied, but has not been attended to.

3960. Have you known inconvenience to arise from the small-note circulation in Ireland?—The small-note circulation in Ireland advanced considerably and imprudently within the last year, and was the foundation of the pressure and run which took place in October last.

3961. Would the returns in the Stamp-office show this increase of circulation of the small notes?—Unquestionably, if they have been truly made.

3962. Are Bank of England notes considered a legal tender in Ireland; and if so, under what Act have they been made so?—Under the 3 & 4 Will. 4, c. 98, s. 6, it is provided, "That from and after the 1st day of August 1834, unless and until Parliament shall otherwise direct, a tender of a note or notes of the governor and company of the Bank of England, expressed to be payable to bearer on demand, shall be a legal tender to the amount expressed in such note or notes, and shall be taken to be valid as a tender to such amount for all sums above 5 *l.* on all occasions on which any tender of money may be legally made, so long as the Bank of England shall continue to pay on demand their said notes in legal coin." This Act being an Act of the Imperial Legislature, and there being no limitation in it that it shall only apply to England, it is held that this clause makes Bank of England notes a legal tender in Ireland, Scotland, and England. The opinions of the most eminent counsel have been taken that it is so, and I professionally obtained the opinions of counsel to that effect; but three gentlemen of the Irish bar, as eminent as any other counsel, gave opinions to directly the contrary effect; so that I have in my own possession the opinion of the present Master of the Rolls in Ireland that they are a legal tender, and the opinions of Sir John Campbell, the Attorney-General for England, and Sir William Follett, that they are a legal tender; but I have the opinion of Mr. Edward Pennefather, Mr. Blackburn, and Mr. Warren, that they are not a legal tender. The Bank of Ireland insist upon it that they are not a legal tender; and that is a state of law upon so important a question, I think ought to be explained and remedied, for this reason, that so long as it is a matter of doubt, commercial men will remain unwilling to avail themselves of the use of Bank of England paper as a legal tender, and I think it is most desirable that all doubt upon the question should be finally removed, because, in the cases I have referred to of runs from panic, or from political or other causes in Ireland, it has been found extremely inconvenient and expensive to draw from the coffers of the Bank of England gold for mere temporary purposes, such as have occurred in Ireland; while if Bank of England notes were known beyond all doubt to be a legal tender, all the banks need do would be to supply themselves with Bank of England notes, and thus meet a great portion of the demands of the moment. I recollect once receiving for the Provincial Bank a very large sum, I think 75,000 *l.*, in Bank of

of England notes in Dublin, and they were of so little use that I returned them by the next post; I never opened the parcel. At that time this law did not exist, but if all doubts were removed, such notes would be a very great convenience in times, such as I have described, of pressure or run in Ireland; and would protect the public from the inconvenience of unnecessarily increasing the demand upon the Bank of England for gold.

3963. Subsequently to the Treasury Order to which you have referred, was any considerable amount of Bank of England notes issued by the Irish bankers?—I do not know that there was a large quantity used, but we confidently felt that if there was a necessity for appealing to the use of them we might do so.

3964. Can you state of your own knowledge whether any of the Irish banks, in consequence of that Treasury Order, armed themselves against the run that was then in progress, by pouring in a considerable portion of Bank of England notes instead of gold?—I do not know the quantity they might have got, but I know there was a large amount of Bank of England notes procured for that occasion.

3965. Have you any additional suggestions that you would wish to make as to the defective state of the law as regards the Bank of England as well as the Banks of Ireland and Scotland?—The state of the law with regard to the privileges of the Bank of England and the Bank of Ireland is very unsatisfactory. I do not give it as a positive opinion, but, from a careful perusal of all the Acts, I have a very strong conviction upon my mind that, notwithstanding what are considered the Bank of England's privileges within sixty-five miles of London, that companies united in Ireland or in Scotland may invade those privileges without apprehension or doubt, by the establishment of banks of deposit, discount, acceptance of bills and of issue within that very district. The Bank of Ireland is likewise protected within fifty miles of Dublin; and I have scarcely a doubt that the Westminster Bank, or any other bank in England, being united in England, can issue notes within that circle. While there are even doubts existing upon so important a question of law, I think it becomes my duty to suggest that such doubts exist; and at any time when the whole subject comes to be considered it would be very desirable to have them removed by making the law clear one way or the other. With regard to the renewal of the Bank of Ireland charter, which must soon come on for consideration, the question that I have now touched upon may be most conveniently decided, and all future doubts removed as to the rights of those various bodies.

3966. Would the suggestion you have made, that charters should be given to banks regulated by the Board of Trade, and to be in lieu of the present deeds of settlement for the regulation of the partnership, involve necessarily a question as to the limitation of the liability of the partners?—By no means; by the 4 & 5 Will. 4, c. 94, the Crown has now the power to grant charters stipulating that the parties shall be responsible to the whole extent of their fortunes as well as for their subscriptions. The charter does not at all involve the question of limited or unlimited responsibility. The Bank of Ireland has no limited responsibility. In a particular contingency the parties are bound to the full extent of their fortunes for a *pro ratâ* contribution to meet the losses. They are bound even more bindingly than joint stock banks, for the charter says that they are responsible as if by contract under hand and seal, thus binding their real estates as well as their chattels. And I do not believe that the Bank of England has, in the strict sense of the word, a limited responsibility; in the contingency I have stated, I believe they are equally liable.

3967. What remedy do you propose for the present defective state of the law with respect to the regulation of partners of joint stock banks?—I have already suggested fully upon that head. There is only one suggestion I think it necessary to add, and that is, as the law now stands, a bank is not required to register its outgoing partners or its incoming partners more than once a year. That is inconvenient, and I should suggest that they should register the transfers made of their stock at least once every month, so as to give the public the means of knowing who, for the time being, are the *bonâ fide* partners. This will cause very little additional trouble.

Veneris, 9° *die Junii*, 1837.

MEMBERS PRESENT.

Mr. Clay.	Mr. Pattison.
Mr. O'Connell.	Mr. J. A. Smith.
Mr. Chancellor of the Exchequer.	Mr. Strutt.
Mr. Hamilton.	Sir John Wrottesley.
Mr. Jephson.	

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

Peirce Mahony, Esq., called in; and further Examined.

P. Mahony, Esq.
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3968. *Chairman.*] IN your last examination you have stated certain defects in the laws for the regulation of joint stock banks, for some of which you have suggested remedies; do you consider that those remedies would be sufficient to avert or to remedy the practical inconveniences which have been found to arise out of establishments like the Northern and Central Bank and the Agricultural Bank of Ireland?—By no means; if the suggestions that I made to the Committee on the last day I was examined were now immediately made law, they would not give remedies to either of those establishments, but after all the evil would consist in the defective constitution that they framed for themselves. In the one case, there are rights given to the shareholders, but there is no mode provided by which those rights can be summarily obtained, as, for instance, 31 of the shareholders holding 1,000 shares might claim from the consulting committee, and afterwards from the secretary, to call a meeting. That was the case in the Agricultural Bank. Five requisitions were lodged with the directors to that effect. Under those requisitions, if meetings were called and the law were amended, the constitution of the company might be altered by the resolutions of the proprietors at large. But in that case, though the requisitions are sent in both to the secretary and to the consulting committee, it is left optional by the deed with them to call a meeting or not. That has produced a great deal of litigation. With respect to the suggestions as to precautions that I made on the last day I was examined; I was totally unprepared for a case, that only came to my knowledge this morning. I hold in my hand the original balance-sheet of the liabilities and assets of the Agricultural Bank, verified by the deposition of Mr. Mackenzie, as the accountant, and dated the 17th of October 1836. This deposition is signed by Mr. Tudor, of Dublin. It is a declaration, in pursuance of the 5 Will. 4, which is equivalent to an affidavit. I find the balance-sheet also signed by alderman Hodges (the lord mayor of Dublin), James Dwyer and John Chambers, three directors, on the 15th October 1836; and in the hand-writing of Mr. Dwyer I find, "I certify the above to be correct according to the books of the company;" and signed John Mackenzie. And then there is annexed to it the declaration of Mr. Mackenzie, taken before Mr. Tudor, as the magistrate. These documents I will deliver in.

[*The same were delivered in, and read, as follows:*]

BALANCE SHEET of the Agricultural and Commercial Bank of *Ireland*.

LIABILITIES:	£.	s.	d.	£.	s.	d.
Paid-up capital	375,029	15	–			
Notes in circulation	421,596	15	–			
Deposit and current accounts, and other liabilities	366,182	4	7			
Total liabilities				1,162,808	14	7

	£.	s.	d.	£.	s.	d.
Total liabilities brought forward				1,162,808	14	7
ASSETS:						
Bills on hand	902,457	2	2			
Government and other securities	20,607	6	11			
Property in Dublin and at the branches, valued at	28,500	–	–			
Credit accounts	93,731	11	9			
Cash on hand	134,892	5	11			
Total assets				1,180,188	6	9
Surplus assets				17,379	12	2
Five per cent. on the paid-up capital for the half year amounts to				9,375	–	–
				8,004	12	2
The reserve fund at last balance was				5,741	16	11
Added this last half year				£. 2,262	15	3

I certify the above to be correct according to the books of the company.

John Mackenzie.

The balance-sheet to which the declaration refers.

J. T.

(signed) *Wm. Hodges.*
James Dwyer.
J. Chambers.

15 October 1836.

Police District of Dublin Metropolis, to wit. } I, *John Mackenzie*, of Dublin, do solemnly and sincerely declare, that the annexed balance-sheet of the Agricultural and Commercial Bank of Ireland is correct according to the books of the company; and I make this solemn declaration, conscientiously believing the same to be true, and by virtue of the provisions of an Act, made and passed in the sixth year of the reign of His present Majesty (5 & 6 Will. 4, c. 62), intituled, "An Act to repeal an Act of the present session of Parliament, intituled, 'An Act for the more effectual Abolition of Oaths and Affirmations, taken and made in various Departments of the State, and to substitute Declarations in lieu thereof, and for the more entire suppression of the voluntary and extra-judicial Oaths and Affidavits, and to make other provisions for the Abolition of unnecessary Oaths.'"

John Mackenzie.

Made and subscribed before me this 17th day of October 1836,

J. Tudor.

Mr. *Mahony.*] I hold a paper in my hand, dated the 15th of October 1836, in the handwriting, except the three latter signatures, of Mr. James Dwyer; the signatures to it are James Dwyer, Thomas Mooney, J. A. Palmer, Despard Taylor; those are four of the suspended directors of the Agricultural Bank.

3969. Does that appear to be an original document?—It is; and knowing Mr. Dwyer's handwriting perfectly, I can state to the Committee that the whole body of the document, and the signature of James Dwyer, is all his handwriting; it is dated the 15th of October 1836. It proceeds thus: "Board-room, Mr. Mackenzie's letter read. Mr. Mackenzie having reported to the committee that he feels it necessary to have the directions of the board to be freed from the responsibility of the balance-sheet by the former accountant. The board having made the most searching inquiry, decide that he is not to be held responsible for the former balance-sheet, the subject matter of that balance-sheet being a matter for a suspense account, until the particulars are fully ascertained." It is signed "James Dwyer, John Mooney, J. A. Palmer and Despard Taylor." I heard of this document long before; it was charged in a bill filed for my clients last March in equity by me, to which no answer has been given; I could never get at it till this day, when a gentleman arrived in town, who handed it to me. I thought it my duty immediately to bring it before the Committee.

3970. Who is that gentleman?—Mr. Dundas, who is now the manager of the Northern Bank of Ireland for Londonderry. He was one of the auditors who signed the report on the Agricultural Bank, and was a manager of the Agricultural Bank at Belfast; and, as I understand, these documents came to him in justification of the state of that balance-sheet of October last on which he reported.

3971. Did they come into his possession from Mr. Mackenzie himself?—I do not

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not know that; Mr. Dundas is in town, and he will account for the possession of the documents.

3972. Supposing the form of affidavit generally used to be that which was used by Mr. Mackenzie upon that occasion, and that the accountant verifying the accounts was only called upon to swear that they were correct according to the books of the company, would not such a form admit of any possible extent of fraud or deception, by reason of its containing no attestation that the books of the company are themselves correct?—Undoubtedly; the reason that I have brought it before the Committee to-day is, that in all suggestions I took the liberty of making upon the subject of precautions on the last day, a case of this kind, though now of so palpable a description, never did occur to me. I suggested, in reference to the revenue, that as to the issue of notes there should be an inspection to ascertain that the return of notes issued was a true return, and that a proper register was kept of the notes issued and retired. But this case exposes so extensive a power to commit and conceal fraud, with the most apparent fairness, and thus to deceive both the proprietors and the public, that it should form one of the subjects which should attract the special attention of the Board of Trade, should the revision either of the charters or the deeds of settlement, according to my former suggestions, be confided to that department.

3973. Suppose that either by charter, by statute, or by deed of settlement, no balance-sheet could be exhibited or acted upon, unless that balance-sheet had been compared with the original books of the company by auditors appointed, independently of the directors, would not that provision correct an abuse of this description?—If the proprietors of the company had efficient power instead of illusory power, as in the present case, given to them of appointing auditors a reasonable time before every half-yearly meeting, to examine and report upon the accounts, that would prove to be one of the most efficient checks I can suggest. But as I consider the public also interested, there ought to be some power to examine and control on the part of the public, and that power should dwell with the Executive Government.

3974. Do you consider that any act emanating solely from a body of proprietors, if those proprietors consist of the holders of small shares, say 5*l.* or 10*l.*, and those proprietors are very numerous, can be relied upon as an efficient check upon the business of a banking concern, or the fidelity with which their functions are administered?—Undoubtedly not; and I could exemplify the question by the present case of the Agricultural Bank. No person in the Agricultural Bank can hold more than ten votes by proxy, and the result of that is, bringing up large masses of persons holding small shares, at an expense almost equal to their interest in the bank, to Dublin, where the general meeting is held. The same would apply to the Northern and Central, or to any bank with small shares and a limited power of voting; and I think the greatest abuse that takes place is the formation of banking companies with those small shares.

3975. Was the character of the meeting held in Dublin of the Agricultural Bank, such as to preclude the possibility of any calm discussion or any investigation of the accounts?—Utterly impossible; I was present at the first meeting, during the whole time, that was held upon the 20th of March; certainly one if not two steam-boats came from Belfast filled with proprietors, the great majority of whom were persons of an humble condition in society. The next meeting was held upon the 17th of April; on that occasion a very large number came from all parts of Ireland; the deputies who met on the previous Saturday alone consisted of about 80, and the great mass, consisting of probably 500 or 600, arrived on the Sunday and Monday; they came from Belfast and the north by the steam-boats; I think there were two steam-boats freighted with them, and a great majority of them were not able to pay their own expenses; they were defrayed by subscription; they came up solely for the purpose of voting. Another party came up from the south of Ireland to vote the other way by canal boats, and I understand that their expenses were paid by the directors. During the time I was there, the scene of confusion was so great, that as to business, it was utterly impossible to transact it calmly; passion was at its very highest point.

3976. Were there threatenings of breaches of the peace?—There were threatenings of breaches of the peace, and I believe there were some blows struck. The machinery of the meeting was intended by the directors to preclude my attendance; for this purpose tickets were required in order to verify the parties entering as being shareholders. The great majority wanted that I should attend

and

and be their spokesman; that was objected to by the directors on the ground that I was no proprietor.

3977. It was a meeting of the proprietors?—Yes; the great majority of them wished that I should speak and conduct the business on their behalf. That was refused by the board, and about three o'clock in the day a party of the gentlemen I attended for came down to the street and literally forced me up into the room; I was in the room almost before I was conscious of it, and the business of the meeting was subsequently conducted between me and Mr. Dwyer.

3978. The meeting was one called of the proprietors of the bank, and you were not a proprietor?—I was not; but I was the professional adviser of the majority of those present, and they acted under my advice and Mr. Warren's.

3979. But, technically speaking, you had no right to be present at the meeting?—Technically speaking, I had not.

3980. You did not claim to be present, except as the man of business of a number of the shareholders, and representing them?—I did not claim to be present myself; on the contrary, I wished not to be present, but a letter was wirtten by the deputies on the previous Saturday to the board, stating that I enjoyed their confidence; that I was their adviser, and that it would facilitate the business very much if I was allowed to attend and represent them, and that was refused.

3981. Have you had an opportunity of knowing what the effect of a system of banking such as that which seems to have been carried on by the Agricultural and Commercial Bank, has been upon the general interests of trade and commerce, and upon the condition of the population generally in the districts in which that banking exists?—The operations of credits upon small bills has, in my opinion, led to the greatest evils in Ireland. Its practical effect has been great losses to those banks which afforded them. In the case of the Agricultural Bank, I should say the greater proportion of its loss has arisen from that cause.

3982. On what grounds do you state that the losses they have sustained have been mainly in consequence of those small bills; have you known of any legal proceedings necessarily resorted to upon those small bills in a greater proportion than would have been resorted to upon large bills?—My experience, as connected with the Provincial Bank, proves that the chief losses arise from a low class of paper, but they never discounted paper of the class that I am referring to now, in the case of the Agricultural Bank. With respect to that bank, I have heard it conceded on all sides that, for instance at Boyle, there were at one sessions more than 800 processes entered for that class of bills. There were at one sessions, I am told, as many as 1,000 processes at Longford, and the over-due paper of that class amounts to a very large sum indeed.

3983. Mr. *O'Connell.*] You are not apprised of the representation made by Mr. Dwyer, that out of about two millions of paper of this description almost the entire has been paid?—If the Committee would call upon Mr. Dwyer to give a return, in the shape in which I put it professionally to the board previous to the meeting of the 20th of March, that would be a return of bills of 1,000*l.* and so on, going down to 5*l.* and 2*l.* 10*s.*; and if he would state to the Committee the actual amount of each class now in possession of the bank, over-due and renewed, the difference of opinion between me and Mr. Dwyer would be decided by a return of that kind, which I will, if the Committee wish, frame, and that mode of inquiry can alone decide the question at issue between us. I can state this of my own knowledge, because I have seen some of the paper myself. I can also state that each of the four auditors have constantly told me that they saw at the branches and in Dublin a very large amount indeed of over-due paper of that class, and that Mr. Moysten, the attorney of the bank at Ballina, was returned to them as the holder for suit of a very large amount of bills of that class.

3984. *Chairman.*] From your knowledge of the character and habits of the Irish agricultural peasantry, do you think the facility of their obtaining advances from banks for those very small sums is advantageous to them or the reverse?—I am perfectly satisfied that, unless upon a system of caution, which I know no means of managing, it is very disadvantageous to them; and I have no doubt the practical effect has been, just as I recollect it formerly with regard to the butter merchants' system; a system of issuing their paper to the farmers in the spring season, to meet a gale's rent: the practical effect is, that the peasantry raise money to pay their rents, and then the losses are thrown upon the banks to the relief of the landlords, while the poor tenants are not one atom benefited.

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3985. Do you think the issues which took place prior to the commercial pressure in 1836 had the effect of greatly enhancing prices in many districts in Ireland beyond the legitimate state of the markets?—I have no doubt of the fact, from my own personal knowledge; for last September, when I was in the northern part of Kerry, I inquired what was doing; generally speaking, I found the markets of Glyn and of Tarbert, as well as that of Ballylongford, each were higher than either the markets at Cork or Limerick; and I could only account for it by reason of the supply by the banks of paper to persons who were ready to buy on speculation at any price.

3986. Mr. *O'Connell.*] Are not you apprised that the result of the state of the crop in that neighbourhood is, that it was exceedingly short?—The potato crop was undoubtedly short, but the supply of pigs, butter and oats was not then considered short, as I understood.

3987. You know that it is at Listowel and that neighbourhood, which is in the vicinage of the places you have mentioned, that the greatest distress prevails at the present moment?—Yes, on account of the shortness of the potato crop and the want of employment; I have had letters from Listowel representing the state of things there.

3988. Have you not heard it from Mr. Mahony, the Catholic clergyman?—Yes; he, and the Rev. Mr. Denny, who is the Protestant clergyman there, have, by a joint letter to me, represented that potatoes have risen so high that they have been obliged to enter into a subscription and bring potatoes from Limerick and elsewhere, and sell them at a more moderate price to the people. But they state that the great evil there is want of employment, and they write to urge employment.

3989. *Chairman.*] Reverting to that portion of your evidence which applies to the article of butter, will you inform the Committee, whether from the markets which you have mentioned of Glyn, Tarbert and Ballylongford, there is a direct export to the British market, or whether that butter is in point of fact sent for shipment to Limerick or other ports?—It is sent to Limerick; there is no direct shipment from either of the ports that I have alluded to.

3990. Then are the Committee to understand that there was a higher price given for butter in those small ports than there was in the port of shipment to which those goods were afterwards sent?—Certainly, that was the fact which most struck me and caused my inquiry.

3991. Can you account for it in any other way than by the enlarged credit which was given to purchasers in those markets?—In no other way. I made inquiry at the time as to the causes, and satisfied my own mind that it arose from that cause, and that only. I had no doubt whatever that a crisis was then coming, and it only arrived a little sooner than I anticipated.

3992. That state of trade, of purchasing dear and selling cheap, could not have continued, of course?—No.

3993. Mr. *O'Connell.*] Do you know any one instance of its so happening that any man bought at a higher price and sold at a lower?—I, of course, know nothing of the machinery of their trade. I only speak from the fact, that I knew the prices that the tenants in the neighbourhood reported they got for their commodities at those markets; and I saw by the public papers what the rates were, both at Limerick and Cork.

3994. Has not that been general; was not there a falling off of prices in every article?—Not in the month of September.

3995. Has not there been a falling off since September?—Considerable; because the banking accommodation has ceased, or rather been checked so as to reduce it to a reasonable limit.

3996. Has not there been a falling off in the British markets?—Because the consumption has diminished, and accommodation has also ceased in England.

3997. While the butter merchants in Cork advanced money to the people, they required a monopoly of their butter?—Yes.

3998. And they made charges upon the butter, which raised the interest upon their advances to something between 15 and 20 per cent.?—To more; for the time of the accommodation (which was something about six weeks that the farmer got), upon a fair computation being made of the advantages for that accommodation which the butter merchant got in return, it appears that he gained at the rate of about 60 per cent. per annum during the time of the accommodation.

3999. Were there not deductions from that; had not he great costs?—He receives that, taking the whole operation into account. I have repeatedly calculated it with a gentleman well known to the Honourable Member who puts the question, and we both agreed that that was the rate per annum of expense to the farmer.

4000. Do not you know that before the establishment of the Agricultural Bank, which has been in the habit of discounting those very small notes, at Ennis, for example, the farmers paid at the rate of from 15 to 25 per cent. for getting the same accommodation from usurers?—I know that before the establishment of banks the charge for accommodation, even to merchants of respectability, amounted to a very high rate of interest; and I recollect perfectly well, in Galway, making a computation, that it exceeded 15 per cent. for the best merchants' bills; but I do not consider that the humbler class of persons can be relieved safely through a banking system. If they are to be relieved at all, it ought to be by a charitable loan system.

4001. With interest?—With interest, of course, like the loan fund at Limerick. I know that the fund at Limerick has worked remarkably well.

4002. *Chairman.*] Is there not an extent of moral discrimination employed in the administration of a charitable loan fund, which you could hardly expect to see introduced into a mere banking establishment?—Yes.

4003. And without that moral discrimination which the charity of individuals and the co-operation of the clergy of both persuasions in Ireland afford in the administration of charitable loans, do you think that that system could have been productive of the good of which it has been productive in Ireland?—Certainly not.

4004. Mr. *O'Connell.*] But those charitable loans cannot be expected to be extensive?—No; neither in the present state of the country is it safe to push them too rapidly.

4005. One question is, the interest of the banks, who are bound to look to themselves; and another is, whether it be proper to give facilities to the farmers at particular periods of the year; now, you know that a great deal of rent falls due the 29th of September?—Yes.

4006. And that the produce, particularly the pork, does not come into the market probably for two months nearly afterwards?—Yes.

4007. Are there not many instances of middlemen and distressed landlords pressing for their rent early in October?—Unfortunately, it is so. I have known middlemen who have had their rents paid to them by their tenants within 21 days after the gale was due, when they have allowed a year's rent to become due to me.

4008. In the year 1835, between the 29th of September and the 1st of December, did not the prices of farmers' produce increase very much?—It did, and fell again afterwards.

4009. So that a man who was obliged to sell in the first fortnight in October sold at a great loss, compared with the man who sold at any time during November?—Yes; but I consider the whole of that operation to have been a virtual speculation on the part of the bank. If the produce had fallen in price, the parties would not have been able to make good their engagements; and therefore it was as much the speculation of the banks as if they had themselves gone into the market and bought the corn and held it over to sell again.

4010. *Chairman.*] Supposing a small tenant to obtain an advance for the payment of his rent from a bank, and that the rent is paid out of the money so advanced, the tenant intending to sell his produce at a future period, is not the benefit of that advance clearly for the advantage of the landlord?—Undoubtedly that is its tendency, and if it was to continue, an increase of the rents in favour of the landlord would be the only result, and in my opinion it would not in any degree permanently benefit the tenant.

4011. Supposing a fall of produce to take place, on whom do you think the risk of that fall would be cast?—Unquestionably upon the bank; even the butter merchants were more cautious, because they required, wherever they doubted the tenant, the security of the landlord in addition. The banks have been more confiding.

4012. Do you think it is most for the interest of the tenant that the rents should be paid out of the actual produce of the articles sold, or by an anticipation of the value of that produce advanced by a bank?—I think it is much more

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decidedly the interest of the tenant, particularly a poor tenant in Ireland, to pay his rent out of the produce of his farm, than to encounter any speculation, because, if that system were to increase prices, the inevitable consequence would be to increase the rent upon him.

4013. Is it not the character of the Irish people generally to be sanguine as to futurity, and to indulge consequently in speculations as to increased value?—Undoubtedly it is.

4014. Is not the danger to which they are consequently exposed, augmented by reason of banking accommodation given in small sums?—It has proved so beyond all doubt in the last year.

4015. At what period did the commercial pressure first manifest itself in Ireland within your observation last year?—I must say that I had a personal opinion, and so had others, connected with the Provincial Bank, that it would come on as early as March 1836, and measures were taken, even so early as that, to prepare for it, and particularly active preparations were made in the month of July.

4016. Of what character were those preparations?—By going the length of communicating to the managers that the directors would be much better pleased to hear that they did almost no business, than that they acted with the least degree of extensive accommodation, and I know that the secretary of the bank was sent round to limit accommodation to the utmost possible extent.

4017. In what month was that?—That was in the months of June and July; we counted upon between November and February as the time when the crisis would come on.

4018. Mr. *O'Connell.*] You anticipated that a run would be occasioned by the suspension of payment of the Agricultural Bank?—Undoubtedly we did.

4019. Nobody doubted that it would come sooner or later?—We had not the slightest doubt; we did think that they might have gone on till February, for we knew that the circulation must be contracted at that period.

4020. *Chairman.*] Were any steps taken unnaturally to increase the circulation by the substitution of the paper of one bank for the paper of another?—Yes, there were agents employed who got a per centage, as I am informed, so high as a half per cent., whose business it was to get Bank of Ireland notes, or Provincial Bank of Ireland notes, and to put out the notes of the banks who employed them in exchange.

4021. You have stated that there was an anticipation of pressure at the period you have referred to; when did the pressure actually manifest itself?—Immediately after the publication of the balance-sheet I have handed in to the Committee; the moment that report was seen, the state of the bank became known to the commercial community, who drew a conclusion that the bank could not go on, and I will state to the Committee the ground of it: one item convinced the public of the insolvent state of the bank, and that was the item headed, "Cash on hand, 134,892*l.*," while the liabilities upon the same paper were stated at 1,162,000*l.* We calculated the number of branches at about 50, their correspondents in London and elsewhere, and we divided this sum, supposing it actually true, by that number, and we came to the result that there was something about 3,000*l.* per branch, and that it was impossible under those circumstances that the bank could go on. If I am to ascribe any proximate cause for the run upon the Agricultural Bank, it was unquestionably this document, and I know of my own knowledge that the Provincial Bank, who have been charged by public speeches and resolutions with having combined to embarrass that establishment, did no such thing; on the contrary, their engagements to us for three weeks before the stoppage were frequently unpaid at the hour of post, and upon one particular occasion, orders were issued not to take their paper any more, and then, after the letters were despatched by post, a payment was made, and new letters were issued, desiring their paper to be taken as usual, and those letters were despatched at the expense of the Agricultural Bank in order to prevent any mischief.

4022. In dividing the amount of the cash in the bank by the number of branches, should you not be applying a test that would be in itself unjust, inasmuch as the average of a given number of branches, whilst it might be too little in the larger branches, might give you a result that would show an excess in the smaller?—Yes; but looking at this account as I did then, and knowing particularly the mode in which the Provincial Bank has been conducted, I would have

have said that the whole cash on hand for such liabilities was not more than sufficient for Dublin alone, as a proper and safe balance, and that, even supposing there were only a few branches, it would be quite insufficient; but with a circulation as stated here of 421,000*l.*, and which is now stated by the Agricultural Bank to have been seven hundred and odd thousand pounds, it was far too small a proportion.

4023. You have now stated that you consider the publication of this balance-sheet to have been the proximate cause of the commercial crisis, and this balance-sheet is dated in October 1836; in what manner did the commercial crisis first manifest itself?—At that time, I think, the Bank of Ireland had not increased its rate of discount, it was four per cent., while at the Bank of England it was five; and I know that in consequence of that facility for getting money, large sums of discount took place in Ireland, which were refused to be discounted in England, and that we were literally supplying money both to Liverpool and Manchester; but the moment that document was published, they all saw that the crisis must come on by the pressure upon the Agricultural Bank, and they all began to prepare for it: I know bill-brokers in Dublin who were discounting for Manchester and Liverpool up to that time.

4024. Mr. *O'Connell.*] Did this operation on the part of the Bank of Ireland cause a consequent profit to the bill-broker?—Yes; the bill-broker readily got paper at five per cent., and he got the accommodation from the Bank of Ireland at four per cent.

4025. And was enabled to take it out in gold?—Yes.

4026. *Chairman.*] Are you aware for what period the discount of the Bank of Ireland continued at a lesser rate than the rate of discount of the Bank of England?—I cannot exactly state the date, but if my recollection serves me, it was over two months.

4027. What was the rate of discount of the Provincial Bank, for instance, and other banks in Ireland, at this period?—We had raised the rate of discount for local paper to six per cent., and for English paper, where we had not to meet a very active competition, to five per cent.

4028. And where there was an active competition, what was the rate?—We were obliged to do it at four or lose our customers.

4029. Mr. *Jephson.*] Were you discounting at a higher rate than the Bank of Ireland?—Yes.

4030. Were you raising your discounts at the time the Bank were lowering them?—Not lowering them; but we followed the Bank of England.

4031. Mr. *Pattison.*] How long did that difference in the rate of interest between the Provincial Bank and the Bank of Ireland continue?—The Provincial Bank had two operations; the first was to restrict accommodation, that began as early as the month of March, but was enforced rigidly in the months of June and July; then we increased our rate of interest at the time that the Bank of England increased theirs; I think that was about July.

4032. *Chairman.*] Practically speaking, however, you state to the Committee that at the period when the Bank of England was discounting at five per cent., the Bank of Ireland was discounting at four, and other banks in Ireland were discounting at a higher rate than the Bank of Ireland?—Certainly.

4033. Is the value of money, generally speaking, in Ireland, on mortgage or other securities, higher or lower than the general rate of value of money in England?—It has always been higher; the rates of interest on mortgage in Ireland and in England are always different to the extent of at least one per cent.

4034. The rate of interest payable on Exchequer bills in England and in Ireland in ordinary times, in which country is it the highest?—In Ireland.

4035. The rate at which commercial discount and accommodation of that description is given, in which country is that the highest?—With the exception of the circumstance I have referred to of the Bank of England at that period increasing its rate of discount, and the Bank of Ireland not doing it, they were always higher in Ireland.

4036. Have you ever heard of any other case in which the Bank of Ireland were discounting at a lower rate than the Bank of England?—Never; it has not occurred within the history of the establishment.

4037. At what period did the Bank of Ireland raise its rate of discount?—The precise date I cannot name, but I think it was after the 15th of October.

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4038. To what amount did they raise it?—To five per cent.

4039. The Bank of Ireland having taken this step, showed their apprehension of a pressure; how did the pressure manifest itself, and where, in the first instance?—In the first instance, it manifested itself in Dublin by a demand upon the Agricultural Bank; the pressure took place upon all the banks in Dublin; it did not commence upon any of the banks in the country till it was notorious and great in Dublin.

4040. As the banks did not issue paper in Dublin, in what manner did the pressure manifest itself within the metropolis?—The pressure commenced at the latter end of October. Our term commences in November, and there are very large payments always made at that period in Dublin; therefore the orders upon Dublin increased very much as compared with the previous month.

4041. Those payments having accumulated in Dublin in the manner you have described, will you explain how this told upon the banks which have establishments in the provinces, and how they conduct their business with the metropolis?—The banks exchange daily one with the other the amount of notes or engagements pro and con at each branch, and those are settled by giving an order upon Dublin at sight upon their office there, and their balances are paid daily as between the banks. Then those orders for individuals' engagements in Dublin accumulate at that time of year to a greater extent than at any other period of the year, in addition to notes being remitted; they increased the pressure so much as to make it visible almost within two or three days; as soon as the report could have been generally circulated the pressure came on, and it came on upon all the banks.

4042. Upon what house or in what place were the drafts of the Agricultural and Commercial Bank made payable?—They were payable in part at Mr. Robert Gray's office, and part at the Royal Bank.

4043. Was there any difficulty felt in retiring those drafts or in providing funds to meet them?—From the period of the 15th of October up to the 14th of November, when the Agricultural Bank stopped, it repeatedly happened that they did not pay their engagements within business hours, that is, before three o'clock, and sometimes not till the post was just departing from Dublin. That occurred not merely in their engagements with the Provincial Bank, but also with the Bank of Ireland and with the Northern Bank.

4044. At that time did any actual cessation of payment take place?—On the 14th of November; and I should like to explain one transaction to the Committee, because it has been observed upon in the public papers, and reported speeches and so forth. It was charged against the Provincial Bank and the Bank of Ireland, that they conspired to produce the stoppage of the Agricultural Bank; and with regard to the Provincial Bank, the fact stated was, that we collected their notes to a large amount, and brought them in upon the Monday in order to force them to stop. The transaction actually was this: After our business hours had closed at Limerick, the manager there found, on Saturday, the 12th of last November, that a party had contrived to get a large quantity, about 5,000 *l.* of Agricultural notes issued at Limerick into his possession upon deposit receipts. He foresaw immediately that the intention was to get gold from him for the amount of those deposit receipts to aid the Agricultural Bank on the Monday. Mr. Harvey, from Limerick, happening to be coming to town on the Sunday, the notes were sent up with an advice to that effect to Dublin, and they formed, in addition to the orders from other branches, a portion of the 14,000 *l.* or 15,000 *l.* which we had to demand upon the Monday, 14th November, on which that bank stopped. But our having those notes was not the result of a concert of any kind, but it resulted from the occurrence having taken place which I have stated.

4045. Mr. *O'Connell.*] It was an act of self-defence?—It was.

4046. *Chairman.*] About this period did any interruption of payment take place upon the part of the branches of the Agricultural Bank?—Not that I know of.

4047. Did any interruption of payment occur afterwards at any of their branches?—Almost all of them stopped immediately; some went on a few days paying their notes, the managers paying, as far as they could, the notes presented to them out of the assets that happened to lie in his own branch.

4048. Are you aware what was the consequence upon the localities in which the stoppage of all those banks occurred?—There was great pressure and alarm, and

and the consequence was not merely that the Agricultural Bank stopped its payments, but the other banks were run upon to a very great extent indeed.

4049. Was that pressure on the other banks general and extensive?—It was general.

4050. Did it come within your knowledge that in consequence of that pressure it became necessary on the parts of the other banks greatly to increase their supplies of gold?—Undoubtedly, to a very great extent. I know the Provincial Bank had previously been ready for a run, and had got a great quantity of gold on hand. We also got large quantities immediately upon the run coming on.

4051. Were those sums very considerable?—Very considerable in the case of the Provincial Bank. I know the fact to be that the amount of gold in Ireland, at the time payment of their notes was demanded, exceeded the amount of their issue.

4052. When you state this of your own knowledge, you apply it to the bank with which you are connected?—Yes.

4053. Can you inform the Committee whether the greater part of this increased supply of gold came from England?—All from England.

4054. Did it come from London, or from London and other places, and if from other places, from what other places?—It came principally from London, but it came also from Liverpool, and I believe from Bristol, but I am not sure of Bristol.

4055. In those cases did it come, in point of fact, by demand upon the Bank of England?—All from the Bank of England.

4056. Are you aware that contemporaneously with this large demand for gold from the Provincial Bank there was a similar demand for gold on the part of the other banks in Ireland?—All the banks.

4057. Mr. *O'Connell.*] Including the Bank of Ireland?—Including the Bank of Ireland.

4058. *Chairman.*] Was that increased supply of gold for Irish purposes very considerable indeed?—Very considerable. I believe it did not fall short of two millions in gross.

4059. Mr. *O'Connell.*] You are aware that that demand for gold had no connexion with the foreign exchanges; it was not for foreign exportation?—It was simply for the protection of the credit of the banks.

4060. *Chairman.*] And the whole of that demand you consider to have fallen practically upon the Bank of England?—No doubt it did. It was considerably increased by the doubts thrown upon the question, whether a Bank of England note was a legal tender in Ireland.

4061. Will you state what those legal doubts were, and in what way they operated?—As I before stated, I got the opinions of the most eminent counsel upon the question. I got the opinion of the present Master of the Rolls, Mr. O'Loghlen, stating that a Bank of England note was a legal tender; and I may mention that, before I sent the case to him, I told my clients that I did not think it was a question upon which any doubt could exist, and I thought it was throwing away money; but they wished to satisfy the Bank of Ireland upon some high authority, and therefore I selected the then Irish Attorney-general. Upon communicating that opinion to the Bank of Ireland, they disputed it. I then took the opinion of Mr. Pennefather, and, to my astonishment, Mr. Pennefather gave a directly opposite opinion. I then took the opinion of Mr. Warren, and I found Mr. Warren agreed with Mr. Pennefather. I then took the opinion of the previous Attorney-general for Ireland, Mr. Blackburn, and I found that he concurred with Mr. Warren and Mr. Pennefather. We then got the opinion of the Attorney-general for England, who agreed with the Master of the Rolls for Ireland. We then got the opinion of Sir William Follett, and he agreed with the Master of the Rolls for Ireland and the Attorney-general. Thus there are three eminent counsel upon the one side, and three eminent counsel upon the other. As I stated the last day, that is a state of the law which ought not to continue; and the result of that state of the law is this, that the other banks did not think it prudent to tender in payment that which was questioned on the authority of the Bank of Ireland.

4062. Practically, was the tender made within your knowledge to the Bank of Ireland, and how did the Bank of Ireland act upon that tender so made?—The tender was made, within my knowledge; it was made thus, in order to try

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the experiment: the Provincial Bank being the collector of stamp and excise duties in Ireland, and having to pay them weekly to the Bank of Ireland, tendered Bank of England notes, and those notes were received in consequence of a Treasury Order. They were refused at first by the Bank of Ireland, and afterwards, when the Treasury Order came, they were received.

4063. What was that Treasury Order?—The Treasury Order, as I recollect it, stated that their Lordships had been advised that the Bank of England notes were a legal tender in Ireland, and they directed them to be received in payment of duties to the Crown.

4064. In consequence of that, did the Bank of Ireland receive Bank of England paper as a legal tender?—In payments on the part of the public to them, but they refused to take them as payments from the public to them; for instance, they would not take Bank of England notes from me if I kept an account with them; they would not take them as a lodgment, and if I had a bill to pay, they would not take them in payment of the bill; and it was proposed before the Treasury Order came out, by the Chamber of Commerce, that the tender should be made in payment of a bill, and the question tried at once.

4065. But after the declaration on the part of Government, that the law officers of the Crown had advised them that Bank of England paper was a legal tender in Ireland, although the Bank of Ireland refused to take them as a lodgment, did they not acquiesce in taking that paper in payment of engagements, whether public or private?—No, I never heard that they acquiesced in taking them as payment, except in payment of monies received by them on the part of Government under the Treasury Order.

4066. Was any inconvenience felt in consequence of this doubt upon the question, and the refusal to receive Bank of England paper in payment of engagements?—Undoubtedly great inconvenience and large expense was incurred, for with respect to those engagements of the Bank, which I may class as the deposit engagements, the banks would have preferred bringing over Bank of England paper, which they could have done at a small expense and without risk, to providing gold.

4067. But if the Bank of Ireland had received lodgments in Bank of England paper, against which the parties might have drawn in paper of the Bank of Ireland, that paper being exchangeable on the spot for gold, would not the increased expense of the transmission of gold, as compared with the transmission of paper, have been thereby cast upon the Bank of Ireland?—The expense of the entire transmission of gold at that period would not have existed at all, because if they took the Bank of England paper to a large extent, it would have met the class of payments which I have described, namely, deposits for which gold was brought over. But I admit that the Bank of Ireland would have an increased expense beyond its own necessities for a supply of gold to meet in such a case.

4068. Mr. *O'Connell.*] Your meaning is, that less gold would have been necessary for Ireland, but the quantity that would have been necessary the Bank of Ireland would have had to pay for?—Yes.

4069. *Chairman.*] But inasmuch as the circulation of Ireland comprehends notes below the value of 5*l.*, the demand upon the Irish banks for the payment of those notes in specie could have been met only in gold?—Yes, up to 5*l.*

4070. Then with respect to the extent of gold that might have been required, either as matter of necessity or of precaution, by the local banks of Ireland, would not that expense have been transferred from them altogether to the Bank of Ireland, had the Bank of Ireland been compellable to receive Bank of England paper as lodgments?—To a great extent undoubtedly it would.

4071. Mr. *O'Connell.*] The joint stock banks in Ireland would, of course, if the Bank of Ireland had taken Bank of England notes, have got over Bank of England notes instead of gold?—Yes.

4072. And then they would deposit those in the Bank of Ireland?—Yes.

4073. And then they would draw cheques upon the Bank of Ireland, and with the proceeds of those cheques they would supply themselves with gold?—Unquestionably, if the Bank of Ireland received them as lodgments, but I should think the Bank of Ireland has means of protecting itself against such an arrangement; that is a mere question of management.

4074. Are you aware that the Bank of England notes were actually at a discount in Dublin during the run?—Yes; the Bank of Ireland itself charged half per

per cent. on them; and it is a very remarkable thing that they charged that to bankers. They drew a distinction: they charged to bankers that half per cent., while they took them at 2 *s.* 6*d.* from customers, but to a very limited amount; they would not take them in large sums even from individuals.

4075. *Chairman.*] What do you consider to be the practical effect of this question of legal tender upon the Irish banks, assuming the law to be settled, and that the Bank of England notes are a legal tender for all engagements, public and private, in Ireland?—I think it would have a considerable effect in relieving us from panics, which we know in practice so often to have taken place in Ireland; sometimes arising from ignorance, and without any due grounds for alarm.

4076. When those apprehensions take place, do they not manifest themselves mainly by an indisposition on the part of the poorer and less informed classes to hold small notes of the banks?—Yes; and the greatest fraud has been committed at times upon this very class, by spreading an alarm that the bank has stopped, and the poor ignorant people have then sold their notes for half their value.

4077. How would that case of alarm have been met on the part of the holder of small notes, if a legal obligation had existed of receiving payment for those notes in Bank of England paper, the lowest denomination of which is 5 *l.*?—As the law stands now in Ireland, as compared with England, it practically could not meet the case at all. But I have suggested to the Committee the last day, that the law which exists in Ireland, making all notes payable at the place of issue, should be relaxed at all events, and that they should be only payable at some certain points. The necessity for that law has ceased by the enactment in 9 Geo. 4, which now permits bankers to pay in Dublin.

4078. Would not the effect of any relaxation of that principle be to enable the banks to carry on their banking operations with a less amount of specie than they now hold?—It would, and at a less expense.

4079. Do you consider that it would be expedient on the part of the public to diminish the necessity that now exists on the part of all persons trading in money, by issuing promissory notes payable on demand, to keep a full supply of specie at the places of issue?—I think it would be very undesirable to make any alteration that would reduce the security of the public; but the mere taking the gold from the Bank of England in large sums, under certain circumstances, such as we have seen in Ireland, is a very great evil in itself. It would be still better if the issuers had the power to give some security for the payment of it, so as to protect the public against a deficiency of assets.

4080. Is not the danger of alarm, and the danger of loss to the holders of small paper, augmented in proportion to their remoteness from the places of exchange?—Yes.

4081. Do you think that in case of a run in the cities of Limerick and Cork, the loss to the peasantry would be so great, or the danger so imminent, as in the more remote and mountainous parts of the counties of Cork, Limerick and Kerry?—I certainly admit that the power of deceiving the people, and of alarming them, exists to a much greater degree in remote districts than it would in cities of such importance.

4082. Then, if by an alteration of the law you were to make the places in which the bank was liable to pay in gold more remote than they now are, would not that danger both of alarm and of loss to the peasantry be greater than it is now?—It would, unless it was thoroughly well known in the country that that arrangement had been accompanied by some other protection for their security.

4083. Do not you know that in the transactions of the Provincial Bank the necessity of providing gold at their places of issue makes it actually indispensable, on their part, to watch with care the amount of the accommodation given in those respective places, or to increase the amount of gold, if there be any great increase of accommodation?—I do; I know likewise that by the arrangement between them and the Bank of Ireland, which took place about 1827 or 1828, they are under contract to keep a proportionate amount of gold in Ireland to their issues, and that accounts of the state of their issues, and the state of their specie, are sent to the Chancellor of the Exchequer, pursuant to that agreement, I think once every quarter.

4084. If the banks of Ireland were allowed at their branches to issue notes

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not payable at those branches, but payable at a more remote place, would not those motives to prudence on the part of the bank be considerably diminished, and would there not be a temptation superinduced of seeking new business at the distant branches, when that increase of business was not accompanied by a corresponding necessity of providing specie?—Undoubtedly; but if they were obliged to deposit securities, for example, in Government stock, in proportion to their issues, the deposit of that security in Government stock would have exactly the same effect that the necessity of keeping gold now has.

4085. Do you consider that this insecurity and this liability to alarm is very much augmented in Ireland by reason of the difference of the law in the two countries, which permits the issue of notes below 5*l.* in Ireland?—It is almost exclusively confined to that cause, because a panic arises chiefly amongst the holders of small notes; I may state that I gave evidence upon this question in 1826, and my subsequent experience has induced me to alter the opinions I then entertained.

4086. What were those opinions?—My opinion was decidedly in favour of a small note circulation; my opinion now is, that unless the abuses of small note circulation are corrected in Ireland, we had better be without it, than have it liable to those abuses.

4087. Do you consider, for instance, that the abuses you have described to exist in the circulation of the Agricultural Bank of Ireland, and in their banking operations, could have taken place to the extent that you have described, had there not been a permission to issue small notes in Ireland?—Certainly not; and I may mention another case, which is still more illustrative of it; another bank was formed last summer in Ireland, called the Ulster Banking Company; I was informed that it was established at Belfast with a most respectable proprietary; it had not been established four months when the pressure came on, and its agents in Dublin, the Hibernian Bank, actually refused its drafts even before the failure of the Agricultural Bank.

4088. How do you connect that circumstance with a small note circulation?—Their over issue; their discounting at the time the Bank of England was contracting its accommodation and increasing its rate of discount, and reducing their power to discount paper as compared with what they had previously discounted; and this bank were actually doing six months' paper, which they could not have attempted to do but for the small note circulation.

4089. Do you think that the Bank of Ireland could, by any possibility, have continued discounting at four per cent. when the Bank of England was discounting at five, if there had been no small note circulation in Ireland?—Certainly not.

4090. Could the Agricultural Bank have established or carried on its operations in the incautious manner which you have adverted to in the smaller places in the discount of such paper if those discounts had been made in specie?—Certainly not; as I before stated, upon the authority of the Nenagh manager, upon a capital which I never heard stated to exceed 1,800*l.*, and which he stated to be only 500*l.*, they had at that branch alone established a circulation of over 10,000*l.* when they opened. When the first bank was opened by them at Nenagh, the statement is, by the board of directors, that their capital then was something about 1,800*l.*; the statement by the manager is, that the capital was 500*l.*, and in that state of things the circulation of that branch was over 10,000*l.*

4091. Do you consider that the amount of promissory notes, however accurately taken and faithfully preserved by the banks, furnishes an adequate notion of the increased circulation which has arisen in Ireland by reason of the introduction of joint stock banks with many branches?—It is not possible to have it very accurate; it is fluctuating daily at each of the branches.

4092. But supposing it accurate to the highest possible degree, has not the introduction of this system led to a large introduction also of a system of payment by cheques?—Yes, a very large circulation exists through cheques which go from hand to hand, and by orders from bank to bank, which is never represented in what is called the note currency.

4093. Does not that in itself make the joint stock system of banking, particularly where there are many branches, between which there is a rapid communication, a much stronger agent upon the general state of the circulation than the previously existing state of banking?—Certainly.

4094. Does it consist with your own knowledge that this system of drawing cheques and letters of advice was one which was scarcely practised in the provinces before the establishment of the branch banks, especially of the Provincial Bank?—Certainly it did not exist before that time. It grew out of the state of the law. The 6 Geo. 4, c. 42, prohibited the drawing of bills for a less amount than 50 *l.*, or issuing bank post bills, reserving those as part of the Bank of Ireland's privileges. It was soon found that it was impossible to conduct business unless that law could be evaded, and then the issue of letters of credit was resorted to; and if those letters of credit were prohibited to-morrow, it would be impossible to conduct business unless the law I have referred to, prohibiting the use of instruments under 50 *l.*, was also repealed.

4095. When the failure occurred in the provinces of the Agricultural Bank, and when there was a difficulty found in retiring the notes in Dublin, was the pressure very great in the city of Dublin, and was the alarm very great?—It was very considerable; it affected almost every bank.

4096. How long did it continue?—About a month.

4097. During that time were there very considerable commercial difficulties felt?—There were very considerable difficulties felt, but comparing the difficulties in Dublin at the time with what they were in England, they were not at all so great.

4098. Are you aware that in the progress of that pressure the Bank of Ireland interposed with the aid of its credit in support of the banking interest of the country?—Yes, they did. According to the best of my information, there were but three banks that did not get assistance; those were Latouche's, Boyle & Co's. and the Provincial Bank of Ireland; I mean by discounts.

4099. By the ordinary banking accommodation?—Yes; the conduct of the Bank of Ireland was very liberal at that crisis.

4100. Will you describe what the state of the law is with respect to the exclusive privilege of the Bank of Ireland at the present moment?—The Bank of Ireland differs from the Bank of England in this respect, that there is no possible claim on their part to what was formerly called the exclusive privilege of banking. Any body of men can be bankers in Ireland and in Dublin, or within 50 miles round it. There are two joint stock banks of that description now in Dublin; one is the Hibernian Bank, consisting of many hundred partners, the other is the Royal Bank, also consisting of many hundred partners.

4101. Are they banks of issue?—They are not; that is the amount of the Bank of Ireland's privilege within 50 Irish miles of Dublin.

4102. Then the peculiar privilege of the Bank of Ireland is confined to the monopoly of the issue of money in the metropolis and within a circle of 50 miles?—Entirely; it has no other exclusive privilege.

4103. Then at the period of this pressure, there could be no other joint stock bank of issue in the metropolis, or within 50 miles?—Certainly, none other.

4104. But the notes of joint stock banks carrying on their direct operations without that circle were daily paid in Dublin?—By agents appointed under the authority of the law to pay them.

4105. Have the banking establishments the power by law of having a house of business in the metropolis, and conducting the ordinary banking operations, exclusive of the issue of notes?—They are entitled to have houses of business, in my opinion, for all purposes except the issue and re-issue of notes. However, there is a doubt upon that point; and, in consequence of that doubt, the Provincial Bank does not keep accounts with any customer whatever in Dublin; they will not pay cheques upon them in Dublin.

4106. Do you consider it expedient that those doubts should be removed?—Unquestionably; particularly in commercial affairs, there ought to be as little doubt in point of law left as possible.

4107. In which way do you think that doubt ought to be removed, with a view to the public interest, whether by establishing the negative of such a right, or by making the establishment of houses of business within the metropolis lawful, excluding, at present, from the question the issue of notes?—I think it is most desirable that any question as to the right of joint stock banks to do all business they claim a right to transact should be removed. I think it would be for the interest of the public, nay more, I think it would be for the interest of the

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Bank of Ireland itself, to have the establishments of those companies in Dublin as efficient as possible.

4108. Do you consider it necessary for their efficiency, that they should have the power of establishing houses of business in Dublin for banking purposes exclusive of the issue of notes?—I do.

4109. Are you aware of a decision that has lately taken place in the courts of law in England, in the case of the Bank of England against the London and Westminster Bank, as to the right of joint stock banks in this country to establish houses of business, not being for the issue of notes?—I have paid attention to that question, but it arises from the different frame of the law in England and in Ireland.

4110. Are you quite clear that there is that difference?—I am quite clear; and if I had before me the last renewal of the charter of the Bank of England, I could show it distinctly, because it became my duty, when that Bill passed in the Lords, to get an amendment of it, to save the existence of the Provincial Bank. If it had passed as it stood for Committee in the Lords, the Provincial Bank must have closed its business, as it would then have been equally illegal as the London and Westminster Bank now is. I can point out the very words which made the exception in favour of that bank.

4111. But, notwithstanding that difference in the law, you consider it matter of doubt; and you state that the Provincial Bank of Ireland does not feel itself at liberty to establish a house of business, and to transact ordinary banking affairs in the metropolis?—I do not consider it right for them, in a state of doubt, to do anything; I think it is their duty to abstain if there is a doubt. That was the case with regard to the town of Newry, where the question as to what is meant by "50 miles" arises; the 50th milestone is in the centre of the town. They consider that they have a right to establish a bank beyond that milestone; but since that milestone was placed there, the road to Newry has been shortened something, and the question would be, whether, the road having been shortened, they were acting legally in establishing a bank beyond 50 miles by the old line, and less than 50 miles by the improved road. The Bank of Ireland protest against their doing so; so that that lets in a question, which is a very large question, for if they commit a legal mistake in any one of their acts, they lose all the benefits of the Act under which they were formed, and the whole of their transactions would become illegal, and they would be liable to penalties for the whole amount of their issues.

4112. Having described the state of the law with respect to keeping houses of business in Dublin on the part of joint stock banks, what do you think would have been the effect in the commercial crisis which occurred in the month of November last, had the existing joint stock banks generally had houses of business established in Dublin, not only for banking business, but for the actual issue of paper?—It would, certainly, under the system they were then carrying on, have increased their power of being mischievous, if they had had those establishments for issue in Dublin as well as elsewhere; they would then of course have partaken in the issue of the Bank of Ireland as far as their connexion and influence could have extended; and having, as in the case of the Agricultural Bank, mismanaged their issues, of course they would have had a great power of mismanagement if they had had those establishments in Dublin.

4113. Reasoning upon the actual state of things in last October, do you think the pressure upon the commercial interest would have been considerably aggravated at that time had the joint stock banks issued paper in Dublin?—I decidedly think it would; and it would have prevented the power of the Bank of Ireland to have stepped in for the relief of the other establishments as they then did.

4114. Mr. *Clay*.] Supposing that a joint stock bank is established in Dublin not issuing notes, is it your opinion that such a bank, having reference to the recent decisions in London, in the case of the London and Westminster Bank, could accept bills drawn from the country?—No, nor do they, because that would have been a "borrowing, owing, or taking up."

4115. *Chairman*.] You have stated that there are at present two joint stock banks carrying on general banking business not issuing notes in Dublin, the Hibernian Bank and the Royal Bank; are those banks confined to Dublin, or have they branches in the country?—They have no branches whatever; one of those

those banks labours under a disability which ought not to be allowed to continue; it has no power to sue and to be sued, and it would be no breach of the Bank of Ireland's charter to give them that facility; that is, the Royal Bank; the Hibernian Bank possesses that power."

4116. Then, in point of fact, there is no joint stock bank at present established in Dublin, or within the metropolitan circle, which has branches in the provinces?—No.

4117. Mr. *O'Connell.*] Although the Provincial Bank takes up its notes in Dublin, it is not bound to do so upon the note itself?—No; our notes are made payable at the place of issue; when they are brought to any of our branches they are paid; and when brought to Dublin they are likewise paid: we do all kinds of banking business in Dublin, save the keeping of accounts for individual customers, and paying their cheques, or issuing notes in Dublin.

4118. Do you discount in Dublin?—We do what is tantamount to it; we lend money upon bills; we do not borrow money in Dublin.

4119. You would receive a lodgment in Dublin to the credit of any of your branches?—We should.

4120. You would give money for an order upon one of your branches?—Yes.

4121. *Chairman.*] Is that done through the medium of a banking-house which is a correspondent of the Provincial Bank, or through the medium of the officers of the Provincial Bank itself?—We have no correspondents in Dublin now; our establishment in William-street does all the business of the bank. The mode in which it is conducted is this: all the cash is kept with the Bank of Ireland, and it is drawn out daily by two officers' drafts, and the surplus is lodged. We use the Bank of Ireland notes in all our payments at the counter in William-street, but only our own notes or gold at the branches.

4122. You have referred, in a former part of your evidence, to the fact that the Provincial Bank of Ireland are the remitters of certain branches of revenue; can you state how the revenue is remitted, and by what banks in Ireland?—The revenue is received locally and remitted by the Bank of Ireland and the Provincial Bank of Ireland, in consequence of an arrangement, I think, in the year 1828. The collectors of customs receive the custom duty and pay the amount daily into the Bank of Ireland, at its branch nearest to them. The collectors of the excise, stamps and post-office revenue, do the same with the Provincial Bank of Ireland. At the end of the week the balance is struck, and remitted by an order upon Dublin in favour of the chief officer in Dublin, at the head of each department.

4123. That is an advantage which those two banks have, as compared with other joint stock banks in Ireland?—Yes, it is; and it has proved of great value to the public.

4124. At the period at which that arrangement was made, were there any other joint stock banks in existence but the Provincial Bank of Ireland and the Northern Bank of Ireland?—No other banks existed of that class, and none offered to do it but the Bank of Ireland and the Provincial Bank of Ireland, and the Government divided the business very equally between the two establishments.

4125. Has there been any variation, within your knowledge, in the arrangement since that time?—None whatever.

4126. And therefore no order has issued upon the subject subsequent to that original arrangement, that could operate either to the benefit of those two banks or to the disadvantage of any other?—Certainly not, within my knowledge.

4127. Could any such have issued without your knowledge?—Certainly not.

Martis, 13° *die Junii*, 1837.

MEMBERS PRESENT.

Mr. Chancellor of the Exchequer.
Mr. Hamilton.
Mr. Jephson.
Mr. O'Connell.
Sir John Wrottesley.

MR CHANCELLOR OF THE EXCHEQUER,

IN THE CHAIR.

George Dundas, Esq., called in; and Examined.

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4128. *Chairman.*] WERE you at any time connected with the Agricultural and Commercial Bank?—Yes, from April 1836 to March 1837.

4129. What situation did you hold?—I was manager at Belfast.

4130. What had been your previous pursuits?—I have been employed in commercial pursuits for the last 25 years; I was employed by the Northern Banking Company part of that time.

4131. Had not the Agricultural and Commercial Bank a large constituency in the town and neighbourhood of Belfast?—Nearly 500 individuals subscribed in Belfast alone.

4132. Many of those were persons of considerable wealth and position?—Yes, a good many of them were, but the majority were of the poorer classes.

4133. Were you appointed by the consulting committee?—I was nominated by the executive at Belfast, and then appointed upon their recommendation by the committee in Dublin.

4134. Were you an inhabitant of Belfast?—No.

4135. From what part of Ireland did you come?—North-west of Ireland; I was born in Fermanagh.

4136. You had resided in Belfast and were known to the Belfast executive at the period when they recommended you?—Yes.

4137. And it was upon their recommendation that you were appointed?—I was pressed to undertake the duty.

4138. What were your duties as manager?—I acted under the direction of three gentlemen appointed as directors, and a committee, not to exceed nine in number, constituted by the deed of copartnership.

4139. Will you state exactly the constitution of your bank at Belfast?—We were considered to be the head branch of the province, and the exchanges of the other branches were made on us, we drew on Dublin to meet those exchanges; there was unlimited power given by the board in Dublin to the directors there; they were appointed for life.

4140. Had you any control over the proceedings of directors?—No, not in the least; I considered that I enjoyed their confidence, and they treated me with a great deal of respect; I have the minute book of the committee and directors here.

4141. Are you aware that, by the constitution of the Provincial Bank, although there are local directors, yet no act would be valid of those local directors if the manager, who was more peculiarly responsible to the board of directors in London, dissented from such act?—I am aware that the manager has a veto in the Provincial Bank.

4142. Do you consider that that ensures a more strict observance of the rules of the central direction than the system which you have described as existing in the Agricultural Bank; you have stated that you had no power over the local directors?—I did not consider that I had, but I would have hesitated had they given me

me an order that I thought inconsistent with circumstances, without referring to the Dublin board.

4143. You have stated that there were about 500 subscribers in the town of Belfast; will you state what description of parties they were?—A great many of the poorer classes who had money in the savings bank were induced to become subscribers from the success which attended the management of the Northern Banking Company and the Provincial Bank; for instance, there was a coach-porter took 150 guineas out of the savings bank and invested it in the stock; a street-constable, who had been 30 years engaged in making 300*l.*, which he invested likewise; many young men in offices, linen lappers, widow ladies, and females seeking a better interest on the faith of the respectability of the gentlemen who were appointed directors.

4144. Are the Committee to understand, that persons of the class you have described, the coach-porter and the street-constable, invested their money in the purchase of shares, or deposited that money at interest in the bank?—Invested the money in shares.

4145. And became proprietors?—Yes.

4146. Were those persons, in your mind, likely to have been capable of paying up further calls if they had been required to do so?—Certainly not; and there was an assurance given them by the directors, that no further call should be made; they were authorized to do so by Mr. Dwyer and the lord mayor, the deputation that came down from Dublin.

4147. Was that assurance ever given in your presence to either of those parties?—I have been authorized to give that answer when the question was put, and I did so on receiving the subscriptions.

4148. You gave it yourself to parties?—Yes, when they were taking stock.

4149. Upon what authority?—Upon the authority of the Dublin board; and it was a question very generally asked.

4150. The shares of the Agricultural Bank being 5*l.* value, do you think that low amount of share led to the result of a lower class of proprietors?—That is my opinion, it induced many of that class to subscribe.

4151. Had those shares been fixed at 50*l.* or 100*l.*, you consider that the constituency would have been of a more respectable character?—Certainly, I do; I am quite satisfied of it.

4152. If upon the 100 *l.* shares 25 *l.* had been paid up, do not you think there would have been a much greater security for the payment of further calls, than where the amount of shares is very small?—Certainly, a more respectable constituency would naturally follow.

4153. Were you cognizant of the purchase of many of those shares, and the acceptance of the transfer from one shareholder to another, while you were manager of that branch?—I was.

4154. Was any information given to the parties, or required by them, of the nature of the deed of settlement, or the nature of the obligation to which they made themselves parties?—There was.

4155. In what way were those communications made?—We laboured under a very great difficulty in not having a deed furnished to us, and we should have obtained more subscribers if we had had a deed; it has been the practice of the local banks there to print a deed for the use of their subscribers, and it was circulated by the friends of an opposition company that we had no deed; we could not succeed well in getting deposits without it.

4156. And at length a printed deed was procured?—They sent down a manuscript deed by a messenger to Belfast, signed by the committee and half-a-dozen others; but the directors did not consider it judicious to ask the proprietors to sign this deed till they could submit a copy of it to them, as was the practice of other banks, and they detained the deed at Belfast till they had a draft of it, which was submitted to the solicitors appointed by Mr. Dwyer and the board in Dublin to act for the branch in Belfast, and the north of Ireland generally, the Messrs. Davidsons, and who are very respectable men.

4157. Was this deed printed?—Five hundred copies of it were printed by order of our committee.

4158. Were the contents of that deed communicated to any party who accepted a transfer, or who purchased stock from the company?—We had it not in our power to do so when we sold the stock originally; but in explanation to many

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who required it, we told them the consequences, and the liabilities which they were subject to under the Act of Parliament.

4159. Was that communication made, and were the parties of that class that were capable of understanding what those liabilities meant?—Not generally; that is the great difficulty under which those poor people now labour, ignorance of the facts.

4160. Are you acquainted with the balance sheet of the 31st December 1835, and with the letter of Mr. Dwyer, which has been put in evidence of October 1836?—I am; this is the original balance sheet, and this is the letter.

4161. In the letter of the 15th of October 1836, the Committee observe that it is stated, "that Mr. M'Kenzie having reported to the committee that he feels it necessary to have directions from the Board to be freed from the responsibility of the balance sheet by the former accountant;" what balance sheet do you consider that to be?—The 31st of December 1835.

4162. Then the balance sheet referred to in this letter, is not the balance sheet of October 1836, but the balance sheet of the 31st December 1835?—That is the one that the difference originates in.

4163. Do you consider the guarantee given, to refer to the account of balance which was transferred from the balance sheet of 1835, and which, consequently, entered as an element into the account of the balance sheet of 1836?—Certainly so.

4164. Have you a copy of the balance sheet of December 1835?—This is a copy; I have compared it with the original.

[*The Witness delivered in the same, which is as follows*:]

AGRICULTURAL AND COMMERCIAL BANK OF IRELAND, BALANCE of the DUBLIN BOOKS, 31st December 1835.

£. s. d.	£. s. d.		£. s. d.	£. s. d.
	—	Thomas Mooney - - -	1,712 18 7	
	70 1 7	P. Jones.	—	
	407 17 7	Will. Tilly.	—	
	203 12 10	Thomas Dixon.	—	
	579 8 –	J. Chambers.	—	
	—	D. Taylor - - - -	592 10 –	
	62 10 8	Jas. Dwyer.	—	
	—	J. A. Palmer - - -	1,142 19 –	
	85 – –	John Jo. Scanlan	—	
	—	W. B. Wallace, bill account	90 – –	
	—	Nott, Ferguson & Co. -	203 4 6	
	—	Will. Creane - - -	249 7 –	
	—	James M'Cullen - -	250 – –	
	—	John Hewson - - -	100 – –	
	—	Globe Insurance Company -	1 2 10	
	1,408 10 8	£.	4,342 1 11	2,933 11 3
	10,003 10 8	R. Gray & Co., guarantee deposit.	—	
	1,859 17 9	J. B. Ball & Co., ditto.	—	
	12,040 6 1	Commercial Bank, ditto.	—	
	18,804 19 –	Northern and Central, ditto.	—	
42,708 13 6	42,708 13 6	£.	—	
	—	Bills payable - - -	25,100 – –	
	—	Thomas Mooney, deposit account - - - -	2,000 – –	
	—	£.	27,100 – –	27,100 – –
	847 5 6	Commercial Bank of Scotland.	—	
	3,754 10 –	J. B. Ball & Co.	—	
	—	London and Westminster Bank - - - -	182 19 1	
	—	Commercial Bank, B. C. account - - - -	145 16 2	

£. s. d.	£. s. d.		£. s. d.	£. s. d.
	—	Prescott, Grote & Company	24,689 15 3	
	—	Ditto, for acceptances -	30,061 11 1	
	36,193 2 3	Ditto, falling due bills.	—	
	1,043 14 7	Liverpool Union Bank.	—	
	—	Northern and Central - -	10,177 4 6	
	76 5 1	West of England.	—	
	2,053 17 5	R. Guinness & Co.	—	
	5,163 9 11	Bruce & Symes.	—	
	1,888 11 1	J. B. Ball & Co., B. C. account.	—	
	1,790 12 6	R. Gray & Co.	—	
	52,811 8 4	£.	65,257 6 1	12,445 17 9
	—	Proprietors' instalments, British - - - - -	25,020 - -	
	—	Ditto - - - Irish -	30,859 15 6	
	—	£.	55,879 15 6	55,879 15 6
	367 14 9	Stamp duties.	—	
	913 17 1	Advertisements.	—	
	210 - -	Batho & Bingley, engravers.	—	
	1,886 4 1	Charges.	—	
	384 11 6	J. Chambers, for stationery.	—	
	287 12 2	W. H. Lizars, engravers.	—	
	650 - -	T. Moffat, for iron safes.	—	
	198 2 1	Postages.	—	
	126 15 9	W. B. Wallace, law costs.	—	
	661 18 4	Commission, &c. paid bankers and agents.	—	
	1,804 2 1	Interest.	—	
	- 14 6	Law expenses.	—	
	361 11 7	Printing and stationery.	—	
	—	Outfit received - - -	1,029 - 6	
	1,648 5 8	Ditto paid.	—	
8,472 9 1	9,501 9 7	£.	1,029 - 6	
	—	Bank note account - -	- - -	340,280 10 -
	41,855 14 3	Nenagh branch.	—	
	28,143 7 11	Ennis.	—	
	2,543 3 1	Bandon.	—	
	27,206 4 -	Castlebar.	—	
	—	New Ross - - -	7,585 10 5	
	30,115 6 5	Enniscorthy.	—	
	19,582 18 -	Limerick.	—	
	—	Tuam - - - -	11,725 16 9	
	10,183 17 4	Roscrea.	—	
	7,482 14 8	Skibbereen.	—	
	9,560 9 6	Killarney.	—	
	14,041 19 3	Strabane.	—	
	7,601 9 5	Mallow.	—	
	22,172 2 6	Kilkenny.	—	
	50,034 1 1	Cork.	—	
	806 16 10	Longford.	—	
	4,528 3 -	Ballina.	—	
	29,574 9 3	Galway.	—	
	1,784 12 -	Strokestown.	—	
	3,072 16 8	Kilrush.	—	
	8,072 8 7	Ballinasloe.	—	
	12,319 8 1	Tipperary.	—	
	5,065 1 9	Fermoy.	—	
	12,002 7 -	Sligo.	—	
	2,003 - -	Boyle.	—	
	—	Wexford agency - -	84 - -	
	69 18 7	Ennistymon ditto.	—	
	—	Waterford ditto - -	46 10 -	
	47 19 5	Clonmel ditto, J. Murray.	—	
	82 6	Dungannon ditto, H. Speer.	—	
	190 18 7	Rathkeale ditto, J. Ruttle.	—	
	262 14 1	Bruff ditto, M. O'Flaherty.	—	
	200 - -	Londonderry ditto, D. Baird.	—	
	86 10 3	T. A. Malcolmson.	—	
331,250 19 9	350,692 16 11	£.	19,441 17 2	

(continued)

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£. s. d.	£. s. d.		£. s. d.	£. s. d.
	—	Past due bills - - -	115 5 7	
	—	Bills discounted - -	52 10 -	
	—	Prescott, for Dublin bills -	1,539 17 -	
	9,193 5 6	Consulting committee.	—	
	153,860 17 8	Thomas Mooney, for committee.	—	
	—	Suspense account - -	187,085 11 11	
£.	163,054 3 2	£.	188,793 4 6	25,739 1 4
	56,026 2 4	Cash.	—	
	25,920 11 2	Bills.	—	
81,946 13 6	81,946 13 6		—	
464,378 15 10			£.	464,378 15 10

In explanation of the very large sums appearing opposite the accounts which balance this sheet, viz., Committee, Thomas Mooney for committee, and Suspense account, it is requisite to mention that they are caused by the obscurity in which the early transactions of the bank are involved. Nenagh commenced business on 1st Nov. 1834, from which date until the appointment of a cashier on 16th April 1835, when eleven branches were at full work, the duties of the head office devolved almost exclusively upon one officer; the correspondence and other pressing needy business were more than sufficient to occupy his time, and the committee were therefore forced to undertake the management of the cash and bills, who could not be expected to be responsible for correct entries.

Subsequently circumstances required that large sums of bills were handed to the committee to be disposed of from time to time. The amount of those for which we have no entry of the disposal, compose the balance of "Committee," and "Thomas Mooney for committee." In addition to this we are without the proper accounts from six branches. These circumstances, as a consequence, deranged most of the accounts; however, as any errors are discovered, they can be rectified by operations upon Suspense account.

63, Fleet-street, 17th June 1836. (signed) *D. A. Hughes.*

4165. How do you know this to be a correct copy of the original?—It was received from one of the officers, and was in the handwriting of one of the clerks of the bank at the head office.

4166. Was it given you in your official capacity?—It came to me through one of the Dublin Board, Mr. Emerson.

4167. Was he a member of the consulting committee?—He was elected in November last.

4168. At the time he gave it to you, was this memorandum at the close of it which appears in red ink?—It was; that is a true copy.

4169. It appears in this balance-sheet that, under the head of "Suspense account," there is the sum of 187,085 *l.* 11 *s.* 11 *d.* at the credit side; can you explain anything in reference to that large sum?—Yes; I made inquiry of Mr. Brierly, the present accountant in Dublin, relative to that, and the note at the foot explains it; the sums on the debtor's side, Thomas Mooney's account for committee, and the committee account, are against the balance of the suspense account, leaving a deficiency of upwards of 24,000 *l.*

4170. Do you consider the suspense account to include those three items: "Consulting committee;" "Thomas Mooney for committee;" and "Suspense account"?—Those sums, 9,193 *l.* 5 *s.* 6 *d.* to the debit of the consulting committee, and 153,860 *l.* 17 *s.* 8 *d.* to Thomas Mooney for committee, stand against the credit of suspense account of 187,085 *l.* 11 *s.* 11 *d.*, the difference being a deficiency accounted for in that suspense account, which amounts to above 24,000 *l.*

4171. Appended to this balance-sheet appears the following note: "In explanation of the very large sums appearing opposite the accounts which balance this sheet; viz., Committee, Thomas Mooney for committee, and Suspense account, it is requisite to mention that they are caused by the obscurity in which the early transactions of the bank are involved. Nenagh commenced business on 1st November 1834, from which date until the appointment of a cashier on 16th April 1835, when 11 branches were at full work, the duties of the head office devolved almost exclusively upon one officer; the correspondence and other pressing needy business were more than sufficient to occupy his time, and the committee

committee were therefore forced to undertake the management of the cash and bills, who could not be expected to be responsible for correct entries. Subsequently circumstances required that large sums of bills were handed to the committee to be disposed of from time to time. The amount of those for which we have no entry of the disposal, compose the balance of 'committee,' and 'Thomas Mooney, for committee.' In addition to this, we are without the proper accounts from six branches. These circumstances, as a consequence, deranged most of the accounts; however, as any errors are discovered they can be rectified by operations on suspense account. (signed) *D. A. Hughes.*" Who is Mr. Hughes?—Son to the present public officer, a clerk in the establishment at the head office.

4172. Can you give any further explanation with respect to that suspense account beyond what is comprised in that statement?—I asked an explanation from the present accountant, how such a thing should have occurred, or how it was allowed to remain over so long unsettled. The committee were all managers in turn, and they received the funds from the cashier. Memorandums were kept in a minute-book, and no regular accounts were kept to explain any of the transactions that arose in that way.

4173. In what state did you find the account of the Belfast Bank when you undertook the management?—I commenced the branch as manager there; we were obliged to adopt forms of our own, although we made the returns as directed by the committee in Dublin.

4174. What check was there upon the issue of notes?—None whatever; they had no general note account in their books at the head office. I perhaps should say, that I ascertained this as a member of the audit.

4175. Were you one of the persons appointed as auditors by the general proprietors, and acquiesced in by the consulting committee?—Yes, I have their letter acquiescing in the appointment.

4176. In your capacity as auditor had you access to their books?—Yes; there were certain books submitted to us.

4177. Was any book submitted to you containing an account of the issue of the bank?—They showed us no general account; their books were in a perfect chaos.

4178. Did you keep any account of your own government in the Bank of Belfast?—I did; I had a letter of general instructions, and I felt that by acting upon that letter I could not explain to our own committee of audit and our directors at any time the transactions if I did not keep the accounts distinctly; at the same time I consolidated the returns so as to meet their views in the weekly accounts to Dublin; but it appeared to me, as a member of the audit, that the corresponding accounts were not kept at the head office so as to check any transactions at the branches, and I have experience of several instances which occurred at our own branch which satisfied me that they had no such returns made. I will mention one; Mr. Dwyer and the lord mayor appointed a very respectable merchant in Newry as sub-agent, fixing the credit at our branch to the extent of 5,000*l.*, which I was to send him in sums of 1,000*l.* I required that the committee in Dublin would furnish me with an account of his remittances, that I might regulate the account, to keep it within the limit of the credit. I received a reply from them that I had nothing whatever to do with that. However, I did not feel quite easy, from the experience which I had had of the incorrectness of the correspondence with the head office, and I wrote to this gentleman, who furnished me with the dockets of his accounts every week, from which I made entries of the interest received and the discount. On being appointed to the audit, I inquired how this account stood, the account being then debtor on the books at Belfast about 8,000*l.* or 9,000*l.* I was told by the accountant in Dublin that he could give me no particulars whatever of it, nor was there any account returned in the sheet of liabilities and assets submitted to the auditors as part of the funds one way or other. I wrote a letter, which was signed by the other auditors and myself, to this gentleman in Newry, for particulars of his account; he replied that he had kept it with the Belfast branch; the auditors wrote again, requesting that he would furnish them with full particulars from the commencement, which he did, showing a balance due to the company of 436*l.*, not known to the accountant in charge at the head office.

4179. It is in evidence before the Committee that bills of very small amount were discounted, and that they were in many cases discounted for the smaller shareholders; was that the case in the Belfast Bank, as it is stated to have been

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the case in the southern banks?—Not at all in Belfast; there were no small bills taken there, and, with the exception of about 500*l.*, I think all the bills that were passed for shares have been paid.

4180. Were the directors bound to take shares, and the officers of the company?—It was a rule that the officers should do so, and it was so put forth in the prospectus; I declined doing so.

4181. Were you permitted to become manager without complying with that rule?—I was; I proposed to lodge an equivalent sum as a deposit, rather than take the benefit of a greater dividend, from what I knew of the concern.

4182. Was there anything particular as to the character of any of the bills that were negociated in Dublin by this company?—They were in the habit of receiving bills drawn by some of the managers, and applying them to the purposes of the bank.

4183. Drawn on whom?—Drawn on parties in the country, and notes of the managers payable at the Northern and Central Bank of England.

4184. You mean bills which were not upon real transactions, but which were used as the means of raising money?—Yes; kites.

4185. Are you sure of that?—I am perfectly sure of that; I have a letter of Mr. Mooney when member of the board, dated in September, telling me that they were deficient 162,000*l.*, and stating that the manager at Strabane had rendered them considerable service in raising money.

4186. Will you produce that letter?—This is a compared copy of it [*producing the same*]; this was a confidential letter; but I am instructed that anything that this Committee requires of me, I am bound to communicate.

4187. Were there many officers in the employment of the bank throughout the whole of the branches?—A great many, it was a large establishment.

4188. Do you know how those officers were appointed?—By the board in Dublin, I understand.

4189. Do you know upon what principles the selections were made; were they from persons who had previously had any experience in banking, or were they appointed on other grounds?—I am inclined to think that there was very little experience in banking among the great majority of them.

4190. Had you any rule with respect to the amount of gold that you were to keep in Belfast in proportion to your liabilities?—The local directors were determined not to have less than 25,000*l.* at the commencement.

4191. Was that amount supplied to them?—£. 15,000 only.

4192. Did they consider that, or did you as the manager consider that an adequate sum to answer the amount of your liabilities?—We should have preferred having 25,000*l.*, and from the paid-up capital, we considered that a fair proportion to demand, starting as we did with great competition.

4193. Was that amount kept up during the course of your existence as a branch?—No.

4194. How low did it run down?—On the 5th of November I was left with only 500 sovereigns, two days before the election for the new committee took place, on the 7th.

4195. Had the run begun at that time?—Yes, it had; there was a pressure, evidently; but they were always in want of money, writing for remittances from Dublin very frequently.

4196. Do you mean to say that you remitted gold from Belfast to Dublin, or that gold was remitted from Dublin to Belfast?—I sent 6,000 sovereigns with two of the directors, and Mr. Cross who went up to attend the election on the 7th of November; the balances of the exchanges on the day after went 6,000*l.* against me; from the other branches drawing upon us, I feared that they might be embarrassed before they would have a new committee elected, and I sent the inspector with a further sum of 4,000*l.*, not giving him any particular direction, but to see the local directors who were then in Dublin, to whom I wrote by that post; they fortunately kept the money in their possession, and on the day following our draft had been refused at the Royal Bank for 2,690*l.*, one of those drafts that I had given on the day the exchanges were so heavily against us; the Northern Bank demanded security to cover this unpaid draft, and I was sent by the only local director in town with 2,500 sovereigns, which I deposited with them, leaving me only 500 sovereigns to meet any demand that might be made upon the bank, and in consequence he went that night to Dublin himself, to confer with the other two local directors, when, fortunately, he found they had not given up the 4,000 sovereigns

sovereigns that I had sent by the inspector, and which were returned me by Sunday's night-coach. That sum I distributed amongst the branches; I sent 1,400 *l.* to assist Dungannon, thinking that the greater intelligence of the people of Belfast, and the confidence that there was generally among them in joint-stock banks, would prevent any serious run taking place there. The concern being very prosperous at Dungannon, and very well managed, I wished to support it. I also sent 500 *l.* to Enniskillen by a special messenger, and 1,100 *l.* to assist the Clones and Cavan branches.

4197. When you were appointed auditor, did you visit any of the branches?—I visited ten, in company with Mr. Molloy, a Dublin merchant of great respectability and experience.

4198. What branches did you visit?—Castlebar, Ballina, Sligo, Boyle, Strokestown, Longford, Cavan, Clones, Enniskillen and Omagh. The branches visited by the auditors were represented to possess about 180,000 *l.* of the assets.

4199. Do you think that it was expedient that separate branches should be established at all those places, with a view either to the profits of the bank or to the general interests of the country?—Certainly not; they never could have paid; they occasioned a greater expense than prudence would have dictated, and much evil has ensued.

4200. What was the result of that examination with respect to the general system of keeping the accounts; did you find the accounts kept upon a regulated system, which furnished you, as auditor, with the information which you felt you were entitled to require?—Certainly not; there was no general system in the concern at all.

4201. Was there in any one of those banks, and if in any, in which of them, a system of account that was an adequate check upon the promissory notes in circulation?—Not one; and from one branch we were told that returns had not been made to the head office for 14 months, and from another for six weeks, and there was no question about it from the head office.

4202. Which were those branches?—Ballina and Enniskillen.

4203. Did you find in any of those branches, in Connaught more especially, that the description of securities which were discontinued were small?—Very small indeed, from 1 *l.* up to 10 *l.*: there were very few bills remaining, amounting to 20 *l.*; in Boyle there were securities returned above 11,000 *l.*, nearly 12,000 *l.* I have a copy of the sheet that was submitted to the auditors, and it was the opinion of a brother of one of the directors in Dublin, who was manager at that period, that the assets at the Boyle branch were not worth a shilling in the pound; in point of fact, there were 800 civil bills at the sessions then going on, to recover debts due there.

4204. Do you mean by civil bill, the process adopted before the assistant barrister for the recovery of small debts?—Yes.

4205. And of those there were 800 within your own knowledge?—The manager acknowledged that there were over 800, and I would not be surprised if there were 1,000.

4206. Do you know in what mode those bills which you have stated to be found at Boyle were returned in the sheets of the bank; were they returned as of the value of 11,000 *l.*, or of the value of 1,000 *l.*?—They were returned as *bonâ fide* assets.

4207. In the return it appears, that from the branch at Boyle the current bills were 130 *l.* 15 *s.* 1 *d.*, the past-due bills 10,983 *l.* 10 *s.* 4 *d.*, the cash 363 *l.* 0 *s.* 6 *d.*, the profit and loss 441 *l.* 12 *s.* 6 *d.*, stamps 5 *s.* 1 *d.*, making a total of 11,919 *l.* 3 *s.* 6 *d.*; was that the amount which was returned from Boyle as the assets of the bank?—Yes.

4208. Is it in reference to that amount of 11,919 *l.* that you state, upon the information of the parties themselves, that that 11,919 *l.* was not worth 1,000 *l.*?—It is upon the best information we could collect from the officer of the company who had the charge of that property; his words were, that he would not give the odd 4 *s.* 7½ *d.* for all the bills of 9 *l.* 4 *s.* 7½ *d.* each, in the concern.

4209. At what date did you visit Boyle?—On the 10th of April last.

4210. At that period were there any other liabilities connected with that branch but the amount of 203 *l.* 19 *s.* 3 *d.* deposits?—There did not appear to be any stock of the company held there.

4211. There is no return of any note circulation at that period?—Not any; the sheet of the liabilities and assets returned 5,000 *l.* as outstanding aggregate

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for all the branches; but it appeared that they had paid more than that sum; namely, 11,902 *l.* 10 *s.*, in the interval which occurred to the auditors' inspection, and that was the only general or other account that we could get on the books which we could check.

4212. Did you compare, in the branches that you visited, the amount of cash returned by them with the amount of cash in their possession?—We found very little cash, it had been absorbed in the interval since the period when that account was made up; the funds were very low at all the branches; we checked the securities as represented; we saw there were bills to represent that amount, (such as they were) or the amounts otherwise accounted for.

4213. At the return of Castlebar, it appears that the return is 2,717 *l.* 19 *s.* 7 *d.*; did you check that account so as to ascertain its correctness?—There were 19,541 *l.* 6 *s.* 9 *d.* overstated in the general sheet at Dublin as belonging to that branch: the reason why we went there first was, that it struck the auditors as extraordinary that so large a sum was allowed to remain at such a branch as that was likely to be, in an inland town, possessing little trade.

4214. What explanation was given to you to account for that discrepancy?—The imperfectness of the accounts at the head office; the accountant took for granted all the returns from the branches; he had no power of checking them, and he made out the account that was submitted in the report of the 20th March from the vouchers returned by the branches, and such other documents as he could collect.

4215. Had not the bank an inspector?—They had.

4216. What was his name?—Mr. Ross was our inspector for the province of Ulster, and we had a Mr. Cross; but the Dublin committee were very unwilling to allow Mr. Ross to go either to the west or south.

4217. In the paper which you have given in there is a sum of 2,717 *l.* 9 *s.* 7 *d.* stated to be the amount of cash in hand at Castlebar; did that correspond with the amount of cash that you found there?—That account is made to the 25th of February; the branch was paying and remitting in the interval; we reconciled the property there, and the difference that we had found out before leaving Dublin, we traced it on the books.

4218. Did you inquire from the managers and the local directors who were the parties to whom this accommodation upon small bills was generally given; and were they able to identify them?—At Boyle they were not able to identify all the parties, but it appeared to us (the auditors) that most of the branches were entirely under the control of gentlemen who had the management of them for their own accommodation; no facility for the benefit of the common interest could be derived in times of necessity for the general good; the bills appeared to be for arrears of rent principally; there were as many as 14 names upon one bill of a small amount; and I saw 23 on one bill, principally marksmen; I observed at one branch 14 or 15 bills pinned together, and a slip of paper put upon them, and the aggregate entered as one bill; they were bills of 1 *l.* 5 *s.* and 2 *l.* 10 *s.*, and 3 *l.* up to 5 *l.*

4219. Were any of those bills, to your knowledge, or from communications stated to you upon which you could depend, for the payment of shares or subscriptions upon shares?—They could not be so, for the majority of the shareholders did not hold more than 1 *l.* and 2 *l.*; it was a rare thing to see a 5 *l.* share at those branches, and they had been cancelling those shares, taking them back in payment from an early date; for instance, at Boyle, where the manager acknowledged that their apparent issue had been over 30,000 *l.*, they had no available paid-up capital. As well as he could state, the capital paid up at that branch might have been 3,300 *l.*; about one-half of that sum had been returned, *i. e.* allowed back in payments, in 1 *l.*, 2 *l.*, and 5 *l.* shares, and the remaining 1,500 were taken by a gentleman in the neighbourhood, for which he passed his bond, and insured his life as collateral security, so that it could not be available in the working of the bank.

4220. You mean, then, that in those cases the bank itself advanced to the shareholders the means by which the deposit was paid?—No, I rather think not; I think that the party subscribing first paid the cash, and on the fact that they were shareholders, accommodation in the way of discounting those bills was given.

4221. Mr. *O'Connell.*] You do not know, of your own knowledge, which they did; that is, whether they paid in 1 *l.*, and then got a bill discounted, or got a bill discounted and the 1 *l.* deducted?—I inferred from the transactions that they had

had paid in 1*l.* or 2*l.*; and when they required the money they presented themselves for a discount.

4222. That is an inference you draw?—It is an inference, certainly; but the date of the bills would rather justify me that it was so. Mr. Molloy M'Dermott, who had taken a great interest in forming the Boyle and Strokestown branches, died suddenly before settling his accounts, and it did not appear that he was furnished with proper forms of receipts from the head office; the people were satisfied with his own memorandums, and these have since been presented to a very considerable amount; and in many cases there was a personal guarantee given by that gentleman to the bank for discounts given to people.

4223. *Chairman.*] Can you state what species of register was kept of the names of the shareholders?—We could see no regular statement of the stock account, or any list of the shareholders.

4224. Did you ask for it?—I did; I asked how they had made the last return to the Stamp-office required by Act of Parliament on the 24th of March.

4225. To whom did you put that question?—To the clerk that was named to me by Mr. Brierley as having charge of that department; he stated that he did not know the return was to be made till two days before it was necessary to be registered; I asked him for a copy of the list that he sent in to the Stamp-office, which, I believe, must be verified upon oath; he said they had kept no copy, they were so much pressed for time, after receiving the order to prepare it.

4226. Did you ever apply to the Stamp-office for that document, so as to investigate the transaction?—We had not time as auditors to do so.

4227. As auditors, did you feel it necessary to inquire into the value of the property of the bank in houses and furniture, which were returned as part of their assets?—I think that was embraced in the general powers we had to proceed upon as auditors.

4228. Did you inquire into it?—We did.

4229. Were you enabled to obtain information?—We could see no account at the head office of general property; we demanded it more than twice; there was no detailed account rendered of how the sum of 29,200*l.* had been disposed of

4230. Was that account of 29,200*l.* furnished under the authority of the consulting committee?—It is stated upon the sheet as part of the assets.

4231. Did you apply to the consulting committee for the datum upon which that sum was calculated?—We applied to the general accountant, and he said that it was not in his power to give it.

4232. Was there not a considerable demand for stationery?—Yes, a very considerable demand for stationery and printing, 6,706*l.* 15*s.* 10*d.* in one instance.

4233. To whom was that stationery due?—Batho & Bingley, of London; but they were represented in the sheet that was given to the auditors as being debtors 1,490*l.*, which turns the amount to 8,196*l.* 15*s.* 10*d.* against the assets.

4234. Was any proportion of the stationery account due to a house in Dublin?—A few days after the date the balance sheet is made up to, we found in the cash-book a sum paid to one of the directors who is a stationer, and which is returned by the auditors as 552*l.*; "Chambers' account;" and we also found the sum of 2,100*l.* paid to Holbrook & Co., Dublin, for which bills were given them; those bills appear to have been made bills from the branches, not regular trade bills; we examined that in the bill book.

4235. What do you understand by made bills?—Accommodation bills.

4236. Mr. *O'Connell.*] To which bills persons in the employment of the company were the parties?—Yes, we asked the question, were not those the parties who were returned as managers of the identical branches; and the answer was, they were; and there is another fact connected with that transaction of Mr. Holbrook's, that I would beg leave to remark upon now: on looking at the bills that were returned on hands at the head office, I found a bill of 900*l.* drawn by Mr. Holbrook on a person of the name of Robinson, some months past due; I asked if this was the Mr. Holbrook who was paid the account the other day; they said "yes." "Then why was not this set off against his account?" "Oh, this is for shares, and I suppose it will be cancelled," was the reply I received.

4237. *Chairman.*] By whom was that answer given to you?—By Mr. Duff, who had charge of the bill account.

4238. And an officer of the company?—And an officer of the company, I understand a brother-in-law of Mr. Dwyer; I am not sure of this, however.

4239. Are the Committee to understand that the 500*l.* in question, paid to Mr. Chambers

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Chambers for stationery, was paid to a gentleman who was director of the bank himself?—Certainly, it was paid: a few days after the general account was made up, and not returned as a debt previous to that date.

4240. How do you know that?—Because it was not in the sheet list of debts.

4241. You know that from the investigation which you made as auditor?—Certainly.

4242. Mr. *O'Connell.*] The sheet was made up without Mr. Chambers appearing at all to be a creditor of the bank?—Just so.

4243. Then Mr. Chambers, a director, is paid a few days after this 500*l.* as a credit?—Yes, in the same way with Mr. Holbrook, 2,100*l.*; and on the 27th of February, two days after the period that the sheet is made up to, there is the sum of 1,000*l.* taken credit for, as directors' salaries and travelling expenses.

4244. Was Mr. Holbrook a director?—No, he was a stationer and lithographic printer.

4245. Did you find any charge for advertisements paid to the newspapers?—No, we could not get any account; we could get no general account of charges; nor of the outfit or premiums received on shares sold.

4246. Were you apprised that a very considerable expense had been gone to in payments to newspapers?—We were.

4247. Did you inquire particularly for that item?—We did, particularly in respect of the Limerick Chronicle, as it had been spoken of publicly; that a sum of 610*l.* had been incurred in the short period of a few months, and we made it a point to ascertain whether it was a fact, but we could not get the account.

4248. The principal manager in Limerick and a director, Mr. Watson, is a proprietor of that newspaper?—Yes, he is a member of the board, and he was sent down as one of a deputation to Belfast to take possession of the funds there.

4249. He is the proprietor of the newspaper; is he not?—The principal proprietor, I understand.

4250. *Chairman.*] Are you able to inform the Committee, from your examination of the bills, whether any considerable number of forgeries have taken place?—Yes, we found a great many forgeries at the branches.

4251. How did you know them to be forgeries?—The managers had ascertained that the parties had ran away who forged them; a magistrate in Tyrone of the name of Taggart, had 800*l.* of his bills forged; in the Omagh branch he forged other men's names, passed them to the bank, and then left the country; there were also forgeries at the Sligo branch.

4252. How do you know these facts?—From the managers.

4253. In what way were those bills returned; how did they appear in the accounts?—As good assets.

4254. You mean to say that those bills, admitted by the managers to be forgeries, were returned as assets upon their accounts?—I do; I am sure of it; and I know that a bad debt made at our own branch was returned as a good asset.

4255. Can you conceive that, as auditors, you have been enabled to reach any correct account of the liabilities and disbursements of the bank?—Certainly not; and I believe it is the united opinion of the auditors now, that if they had anticipated that such a resistance would have been made to the reasonable request of the proprietors, they would have shown a more glaring loss; they could have done so, but from a desire to preserve the interests of the proprietors in the valuation of the remaining property, they thought it better to refrain from exposing all they could have put down. I have with me a calculation; I made it from the auditors' report, showing a loss of 153,631*l.* 17*s.* 4*d.*, without putting any value upon the remaining assets.

4256. Have you communicated this calculation to any of the gentlemen who acted with you as auditors?—I have; I showed that paper this day to Mr. Molloy.

4257. Did he concur in the views generally taken in this paper?—He did.

4258. What is the amount which the consulting committee themselves state to have been lost?—About 33,000*l.*, in a sworn affidavit before the Master of the Rolls in Ireland, a copy of which I have seen, as made by Mr. Brierley.

4259. And the amount which you, as auditor, and the amount concurred in by Mr. Molloy, returned as being lost, is 153,631*l.* 17*s.* 4*d.*?—Yes.

4260. Will you put that paper in?—

[*The Witness delivered in the same, which is as follows:*]

CALCULATION showing the Loss appearing on the Auditors' Report, &c. of the Agricultural and Commercial Bank of Ireland, without estimating the probable Loss that may arise on the remaining Assets.

G. Dundas, Esq.

13 June 1837.

	Dr. £. s. d.	Cr. £. s. d.
Profit and loss account 11,140*l.* 6*s.* 2*d.* not forming any part of the assets; the liabilities and assets sheet made up to 25th Feb. should terminate, showing the loss of	6,265 14 5	
Deficiency in Castlebar branch	19,541 6 9	
Error in Killarney branch, pointed out on the 1st April, but never afterwards rectified by a new account from Mr. Brierley, although asked for	1,899 19 4	
October dividends, returned in a previous balance sheet made in November (which showed a surplus), we could not trace that any amount of importance had been paid of the 9,375*l.* taken as still due	9,000 – –	
Difference in current bills held at head office	21,819 – –	
Paid Robert Gray, not included in liabilities	890 – –	
R. Guinness & Co. balance denied by them and admitted as being out of Mr. Brierly's power to prove due to the Company	1,778 – –	
Batho & Bingley account, calculated by Mr. Brierley as 4,190*l.*, but since the meeting contradicted, and which taken by the bank books would now turn as	8,196 15 10	
Parcel lost going to Tipperary	1,100 – –	
Bank property not defined in account on the books, but set down as 29,200*l.*, stated by Mr. Brierley as copied from the balance of Messrs. Emerson & Cordukes, which was only 21,000*l.*, might yield about 5,200*l.* (say)	24,000 – –	
Deficiency at Cork branch	7,398 – –	
Difference in bank-notes outstanding represented at 5,000*l.* on 25th February, since which there appears to have been paid 16,902*l.* 10*s.*	11,902 10 –	
Memorandums in balance of cash at head office	900 – –	
J. D. Dowd, Drogheda	1,629 – –	
Paid on 27th February directors' salaries, and not included in liabilities	1,000 – –	
Paid on 14th March Holbrook & Co. while an unpaid bill of Mr. Holbrook for 900*l.* composed part of the balance of bills on hand	2,100 – –	
Paid Chambers' account	552 – –	
Difference in bankers' balances	8,775 – –	
Amount of stock repurchased £. 45,348 – –		
Present value 5*s.* 11,337 – –		
	34,011 – –	
Error in aggregate cash	– – –	52 9 –
Kilkenny branch, (afterwards ascertained to be doubtful debts)	– – –	656 – –
John Boyd, Newry (quite unknown to Mr. Brierley)	– – –	436 – –
Royal Bank stock, represented as 13,850*l.* less 1,050*l.* retained by Mr. Mooney, taken at present market price	– – –	7,982 – –
Balance appearing deficient	– – –	153,631 17 4
£.	162,758 6 4	162,758 6 4

4261. Was there any document that would enable you to inform the Committee what the amount of paid-up capital was at the period at which the Nenagh Bank opened?—I endeavoured to trace that on the books, but I could not do so.

4262. Mr. *O'Connell.*] Did you make any inquiry as to the motive for pressing the opening of the Nenagh Bank?—No; it was the first branch that they opened, I understood.

4263. *Chairman.*] You were asked whether you took shares yourself, and you stated that you had not taken shares, but you had paid a deposit of money which was equivalent to that; have you ever entered your name for shares?—Never.

4264. Did anybody else ever enter your name for shares?—I believe my name was returned in the printed list as manager, preparatory to the election of the committee of audit in Belfast.

4265. By whose authority was that return made?—By the local directors; it was not returned as an official document.

4266. To whom was the return made containing your name as a shareholder to the extent of 500 shares?—A list was prepared of persons qualified to act on the committee; it was not a list of the entire proprietary of the branch.

4267. By whom was the list prepared?—By Mr. Emerson and the other directors.

4268. Prepared at Belfast?—Yes.

4269. You

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4269. You were manager at that Bank?—Yes.

4270. Was that list prepared with your knowledge?—It was, I assisted to prepare it.

4271. In that list you appeared with 500 shares attached to your name?—I appeared as the manager; the prospectus stated that the manager should hold 500 shares.

4272. That was a list of persons qualified to act as members of the committee?—It was.

4273. A qualification of 500 shares would have made you eligible as manager, would it not?—For the Belfast branch.

4274. And if you had no qualification of shares you would not be entitled to appear on the list?—As manager I might have been mentioned.

4275. Would you have been qualified to appear on that list, being a manager, unless you also held shares?—Certainly not; but there were two instances of parties on that list who afterwards declined to take shares.

4276. Applying the examination to this specific point, what was done with that list when so prepared?—It was submitted to the meeting for the purpose of selecting from it persons to nominate as members of the committee of audit in Belfast.

4277. What meeting do you allude to?—A meeting that took place in May at Belfast to elect a committee of audit for that branch.

4278. Did you ever explain to that meeting that although your name appeared upon that list as being qualified, in point of fact you did not possess any such qualification, not holding any shares?—I was not called upon to do so, nor would it have had any influence, my doing so; but I told Mr. Dwyer in Dublin that I would not take shares, that I felt I should be disqualified as a servant of the company, in giving evidence in a court of law, if I took shares.

4279. Did you in point of fact know that that paper contained that which was not true?—I was not represented as a shareholder, but as a manager.

4280. The list being a list of shareholders, and without such a qualification of a shareholder you not being entitled to appear on that list, was not the entry of your name in that list, with your own privity and knowledge, a declaration to the parties to whom that list was communicated that you did hold those shares?—I think not; it was not done with that intention.

4281. With what intention was it done?—To make the list appear numerous, I believe.

4282. Mr. *O'Connell.*] The list of what?—The selection of qualified proprietors.

4283. Of shareholders of 500 shares?—Shareholders of 500 shares, and under or over.

4284. Do not you perceive, then, that the intention must have been to represent you as a shareholder?—It may be understood so; but it could have no effect whatever.

4285. It might have had the influence of your being elected to that office to which no man but a shareholder could be elected; is not that plainly so?—It may be so.

4286. Mr. *Hamilton.*] Did you mean to qualify by taking shares, if you had been elected a member of the committee of audit?—No, I was not a party qualified nor a candidate for the office for which that list was made; I was servant of the company, and appointed with an express understanding that I was not obliged to take shares.

4287. When you consented that your name should be put down as qualified, had you the intention of qualifying yourself in the event of your being elected?—Certainly not; I expressed the contrary intention, that I would not do so, and that list appeared when all the shares were subscribed for.

4288. Why did you allow your name to appear upon the list?—As manager of the branch.

4289. *Chairman.*] That was not a list of managers of branches, but a list of shareholders, and you were not a shareholder; then was not that list a deception upon the parties to whom it was communicated?—It was not intended to be so.

4290. Was it, or was it not so?—I cannot consider that it was; I would have been very sorry to have allowed my name to go forward with that intention; I had no motive for doing so.

4291. Supposing that the consulting committee in Dublin had returned their names as holding 500 shares each, or had allowed that to be done by their accountant, with their knowledge, without holding one single share, should

you

you not have considered that a deception on their parts?—If it was to gain any point, or take any advantage, I would consider it a deception, certainly. *G. Dundas*, Esq. 13 June 1837.

4292. Was it not, under any possible circumstances, and whatever might have been the motive, a communication which was contrary to truth?—Not taking it in the point of view I did, or in which the directors did.

4293. The question is, whether if you, as auditor, had found that the consulting committee had allowed their names to be returned as shareholders, without, in fact, holding any stock of the company whatsoever, you would not have been bound to notice that as a deception upon the public?—In that point of view I would consider it so, but the situations of a committee-man and a clerk are not analogous.

4294. Are you now in the service of any banking company?—The Northern Banking Company; I was engaged by them since the Agricultural Bank at Belfast stopped.

4295. Are you a party to any proposition for establishing a new bank in Ireland?—No, I know nothing of any new bank; I was seven years with the Northern Banking Company before I became a manager of the Agricultural Bank, and the Northern Banking Company have engaged me again.

Veneris, 16° *die Junii*, 1837.

Mr. Attwood.	Mr. Jephson.
Mr. Chancellor of the Exchequer.	Mr. Loch.
Mr. Clay.	Mr. Pattison.
Sir Thomas Fremantle.	Mr. Strutt.
Sir James Graham.	Sir John Wrottesley.
Mr. Hamilton.	

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

Mr. *James Marshall*, called in; and Examined.

4296. *Chairman.*] WHAT is your connexion with the Provincial Bank of Ireland?—Secretary. Mr. *J. Marshall.* 16 June 1837.

4297. How long have you been connected with the Provincial Bank?—Since its formation in 1825.

4298. What had been your situation in life prior to that?—I was accountant of the Bank of Scotland.

4299. Had you been long connected with banking business?—Upwards of 20 years, before I became connected with the Provincial Bank of Ireland.

4300. Are you, from your situation as secretary to the Provincial Bank, acquainted with the system upon which they act, and acquainted with their affairs generally?—I am.

4301. Where is the head office of that society?—In London.

4302. Has your attendance and attention been confined to the London business only, or have you had occasion to visit Ireland?—I have, repeatedly; my attention is directed to the affairs of the concern generally and universally.

4303. Is all the correspondence submitted to you?—Entirely; it passes entirely through my hands.

4304. There is no reserved correspondence or secret correspondence which you are not privy to?—None whatever.

4305. The transactions of the society are done openly and with your knowledge?—Yes, entirely so.

4306. Can you explain to the Committee the constitution of the Provincial Bank?—I can. I may make reference to the annual reports of the institution, of which, I understand, that copies were furnished to this Committee: a report is made to the proprietors on the third Thursday of May in each year.

4307. By whom is that report prepared?—By a special committee.

4308. A committee of the board of directors?—A committee of the board of directors,

Mr. J. Marshall.

16 June 1837.

directors, whom it is my duty to attend on such occasions, and to be their organ in acting as the clerk of that committee.

4309. When that sub-committee has prepared the report, what further step is then taken?—It is submitted then to the general court of directors.

4310. Is it examined by them?—By the general court; it is laid before them, and every part of it is explained to them; and they have it in their power to examine any part, to refer instantly to the books, or the source from which it is drawn. The committee in making it up go very minutely to work, and examine very particularly.

4311. Then are the Committee to understand, that before the report is laid before the proprietors, that report is first submitted to a select committee, reported by them to the general court, and approved of by the general court?—It is; it is, in the first instance, signed by the chairman of the committee, when presented to the general court.

4312. When laid before the proprietors, is it laid before the proprietors on the responsibility of the court of directors?—Completely so.

4313. Are these reports printed?—They are.

4314. After they are submitted?—When the general meeting is held, it is a usual motion of some proprietor that the report be printed for the use of the proprietors, which is uniformly complied with.

4315. And is it circulated generally amongst the proprietors both in England and Ireland?—It is, very generally. A number are sent to each of the branches in Ireland, for distribution among the proprietors in the neighbourhood of each branch.

4316. Have there been applications made to the court of directors by proprietors for an explanation on the subject of the report, or an elucidation of any of the statements which it contains?—Occasionally there have.

4317. And has that explanation been given by the court of directors?—Yes; if the explanation desired is proper; I can say, from my own personal knowledge, that generally the reports have been quite satisfactory to the proprietors individually.

4318. Will you explain, by reference to those reports, or from your own knowledge of the facts, what is the exact constitution of the Provincial Bank of Ireland?—I will. Perhaps I cannot do better than request the attention of the Committee to what is stated in the first report, which was made the 18th of May 1826; shall I read from this?

4319. Yes, if you please; you are quite at liberty to read it.—After stating the preparatory steps, the bank commenced its operations actually on the 1st of September 1825, at Cork, where the first branch was opened, and the branches which are here mentioned were in succession opened.

4320. Just confine yourself at present to the constitution of the bank.—"It may be here proper to state, for the information of the proprietors, the regulations which have been adopted, in the first place, for conducting business in a proper manner at the branches: and, secondly, for the control and superintendence which are exercised over them by the directors in London. First, as to the branches: for the due management of the business at each a suitable house has been obtained, and the following officers have been provided; viz., manager, accountant, teller, clerk, porter; all of whom find security for their fidelity. Where the scale of business requires it, the number of the inferior officers is increased, but there are only two principal officers at any branch, viz. manager and accountant; and for securing more effectually the proper discharge of the duties of all, and assisting the manager with advice and information, there has been appointed at each station a board of local directors, consisting, according to circumstances, of three, four or five gentlemen of the first respectability in the place, who, in order to be eligible, must themselves have an interest in the establishment, by holding 10 shares each of its stock. The duty of these gentlemen is to meet daily at a given hour at the bank's office, and, along with the manager, to judge of bills presented for discount, and of all applications for credits. For every act of business of this nature it is necessary that two local directors and the manager be present; and it is provided, that where applications for discounts or credits exceed, in individual cases, a certain fixed amount, or when the manager differs in opinion from the majority of the local board, the matter must be submitted to the decision of the court of directors in London. It is further the duty of the local directors to compare

compare daily the vouchers with the entries in the cash-book, to count, at stated intervals, the cash in charge of the manager, and to certify the returns made periodically from the branch to London."

4321. Are the Committee then to understand distinctly that the local directors, in the case in which the manager, who is the head officer of the society, differs with them, although he may differ singly, are bound to refer those cases to the London board before any decision is come to?—In every case.

4322. Has that been steadily enforced and acted upon in the Provincial Bank?—It has.

4323. Therefore the local directors are more for the purpose of assisting the manager with their advice than for the purpose of controlling the operations of the bank?—Certainly.

4324. In another contingency it would appear, that where the pecuniary transactions in question exceeded a given amount, that too, although the Board might be unanimous, is brought under the consideration of the London board of directors?—It is.

4325. What does that sum generally amount to; is it a fixed sum, or does it vary according to the circumstances of the different branches?—It has varied according to circumstances; but, generally speaking, from 300 *l.* to 500 *l.* is considered the extent to which anything in the shape of a credit, other than the discount of a mercantile bill, would go.

4326. Be so good as to explain to the Committee what steps were taken by the Provincial Bank of Ireland in the selection of their various paid officers at the branches?—I believe that is detailed in this said report, "The selection of officers in particular was a matter of paramount importance, both on account of the great number required to fill the intended situations in Ireland, and the necessity there was to scrutinize their qualifications as to character and ability. Communications were made on this subject with various gentlemen in different parts of the country, from whom it was expected the best information could be obtained. The prospectus of the society having set out with the resolution that the business should be conducted on the principles which had been so long and so successfully acted upon in Scotland, it seemed desirable to obtain from that country persons trained up in banks there, provided their qualifications in other respects were such as to recommend them. With this view, the secretary," (that was not myself at that time,) "was sent down to Edinburgh in February for the purpose of making inquiries; and notice having been given in the public papers that persons were wanted to fill situations in the projected establishments in Ireland, a gentleman in the above city was employed to receive applications and to institute the most minute and scrupulous inquiries regarding the character and qualification of those who should apply. Another gentleman from the same city was also engaged to proceed to London to assist the directors in the formation and prosecution of a plan for conducting the business, when they should be ready to commence it in Ireland;" (that alludes to myself.) "The extensive correspondence which the applications and inquiries, produced by the measures above-mentioned, necessarily occasioned, occupied the attention of the directors very closely, and for a considerable length of time, and the result has been that the services of a number of most valuable officers have been secured to the society."

4327. Are you enabled to inform the Committee whether it was practically a subject of anxious examination on the part of the court of directors to trace the past life and the experience of the various persons who applied for situations, and to select but men in whose knowledge of banking or mercantile transactions they had reason to confide?—I have the opportunity of saying that that was the case in a degree superior to what I had witnessed in any former situation.

4328. The Provincial Bank was the first joint stock bank, was it not, that was established in Ireland?—The Northern Bank was about coeval; and, I believe, was in business before this was. It was formed out of the union of two private banks in Belfast.

4329. But at that period was there a greater facility in procuring the services of gentlemen more particularly who had experience in the Scotch banking than there would be subsequently, when there was a more active competition in the establishment of banks?—No doubt of it.

4330. What description of security were these officers required to give?—Unexceptionable personal security; two persons, at least, generally were joined in a bond for the fidelity of the officer.

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4331. Was there any fixed proportion between the amount of the security required and of the salary paid or the duties to be performed?—The amount had respect to the duties to be performed rather than to the salary.

4332. What was the general security that was taken by bond for the fidelity of these officers?—The lowest clerk was 1,000 *l.*; the highest 10,000 *l.* for a manager at the largest branch.

4333. And that has been enforced by the Provincial Bank with respect to its officers?—The amount of 10,000 *l.* has not been required, as we have practically found 5,000 *l.* to be a more commandable sum; I would say, within the reach of the description of parties who are aspirants to these offices.

4334. And does the question of security, varying only, occur in reference to the duties; but does it extend not only to the managers but to the accountants and tellers and the clerks?—It does; and even to the porter, as far as we can get it; but that is a description of people that we cannot easily obtain security from.

4335. And therefore the principle of selection has been to seek those whose habits of life showed they possessed banking experience, and to appoint them only upon their giving adequate security for the performance of their duties?—It has.

4336. Was there any regulation that any of the head officers of the society should take shares, and become members of the company?—None whatever.

4337. It was neither imposed upon them as a condition, nor were they restrained from purchasing shares like any other individuals in the market?—No, they were not, with the exception of the public officers, who, by Act of Parliament, must be shareholders.

4338. Now, with respect to the local directors, how were they selected?—It is mentioned here, that there should be selected three, four or five gentlemen of the first respectability in the place, of commercial knowledge, whenever those could be obtained; if having had that commercial knowledge, and being disengaged from business, they were considered as so much the more eligible.

4339. But in the selection of local directors, so far from excluding persons by reason of their having commercial or banking knowledge, are the Committee to understand that such parties were preferred?—Where they had it, and were not understood to be in a situation to require banking accommodation for themselves.

4340. Was there any case in which private banks merged with the Provincial Bank, and the partners of such private banks became consequently the local directors of the new bank?—No; in one sense Messrs. Roche, of Limerick, had ceased, I believe, to be bankers before they became directors alternately in the branch bank at Limerick. There was something of a similar instance of the late Mr. Sloane, of Belfast, who had been a member of a private banking company; but being a man of very great experience and knowledge of banking, and high respectability, he was I may say solicited by us to become a director at Belfast, he being at the time quite disengaged from any business whatever.

4341. You have stated that the local directors were required to take 10 shares each, at the least?—Yes.

4342. Will you have the goodness to state what the reason was that they were required to take those shares?—In order that they might have a greater interest in the establishment; feel a personal interest. I must say we have not, in every instance, been able to get gentlemen of that description. We have, in some instances, appointed gentlemen who, from various causes declined to become shareholders; at least, we have elected gentlemen to be local directors without requiring the fulfilment of that condition: there are some instances at present of gentlemen who are so; but no doubts regarding the solvency of the Bank ever deterred any of them.

4343. Was it considered, that by reason of the local directors holding shares to a small amount, there was a greater degree of responsibility obtained over their actions; their property being responsible generally?—Certainly.

4344. Now tell us how they are appointed?—The directors in London were, of course, originally appointed by the gentlemen who associated together for the purpose of forming this establishment; and they continued, with the approbation of the meeting, until a certain time, when, by the deed of settlement which was afterwards prepared, four were to go out every year.

4345. In the vacancy of the four, who appoints their successors?—The proprietors generally; the general meeting of proprietors.

4346. Are

4346. Are they re-eligible?—They are declared by the deed of settlement to be re-eligible.

4347. Are they recommended to the court of proprietors by the court of directors?—They are; they have been virtually so: and I beg to refer to one of the annual reports, which gives an explanation upon that point. It is in the report made the 17th of May 1827, in which it is stated, "The directors have now to advert to a circumstance of some importance as connected with the constitution of the society. By the deed of settlement, the number of directors was limited to 20. Since the completion of the deed, that number has been reduced by death or resignations to 16; and the directors having found by experience that the latter number is quite sufficient to insure a due attendance for the efficient management of the business of the establishment, have not thought it necessary to enforce the terms of the deed by proposing the election of new members; and they think themselves now justified, by past experience, in unanimously recommending to the court of proprietors to limit the number of directors for the ensuing year to 16. The directors may add, that this arrangement will be attended with a considerable saving of expense; and in conclusion, they beg to state to the proprietors an opinion in which they also unanimously concur; viz. that in future elections, it will greatly conduce to the harmony and cordiality which it is so desirable should prevail amongst the directors themselves, as well as to the good management of the bank's affairs, if a recommendation shall be made by them to the proprietors in favour of those candidates, whom, after due inquiry, they shall find to be the best qualified to fill the situation."

4348. Have those recommendations been generally complied with by the proprietors?—Always.

4349. Uniformly, without exception?—Uniformly; it has uniformly been acquiesced in. Two or three candidates had upon more than one occasion started, but when the matter was explained to them, they have uniformly acquiesced in it. It is necessary to state, to complete this, that the recommendation to limit the number of directors to 16 was afterwards the subject of a special provision by an additional deed of the proprietors, therefore the number cannot be extended beyond 16 without altering the deed.

4350. Are the directors paid for their attendance?—They are.

4351. What is the amount of payment which they receive?—It is so regulated that no director can receive above 250*l.* a year, the director in London I mean, were he attending at every possible meeting that he could.

4352. Is the payment an annual payment, or proportionate to the attendances?—Proportionate to the attendances, ascertained every quarter.

4353. According to the number of attendances so the parties are paid?—Yes, according to the attendances.

4354. Was that sanctioned by the proprietors and by the society?—The deed of settlement contains a provision allowing the directors to take the sum of 5,000*l.* as remuneration; they have never taken more than 3,000*l.*; the proportion is reduced; that was when the number of directors was 20.

4355. Sir *Thomas Fremantle.*] What do they take now, the 16?—They cannot exceed 3,000*l.*

4356. *Chairman.*] Was that reduction their own act, or the act of the proprietors?—Their own act, suggested as stated in the report.

4357. Will you state how they transact their business?—By meeting daily in committee, (a general committee) which is open to all to attend; but in order to be a quorum there must be three present; and by a weekly court, held each Friday, at which all ought to be present.

4358. Is there a record in writing of all the directions and the acts of that special committee?—There is.

4359. Are each of those acts brought under the examination and review of the general court on Friday?—At the weekly court they are; the minutes are read over.

4360. Is the question put upon the confirmation of those minutes, or is it open to the general court to vary or alter them?—The question is specially put by the chairman of the weekly court, whether it is the pleasure of that court to confirm the minutes of the past week which have been read.

4361. Have you known instances in the management of the bank in which there have been any variations upon the proceedings of the committee proposed by the general court, so as to show that it is an active as well as a theoretical superintendence?—

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intendence?—I have seen instances where the subject has been brought under revision, and which has produced an alteration of the resolution of the committee.

4362. Having now explained to the Committee the formation of your local administration at the branches, and your general administration in London, will you state what the course of proceeding is, to insure to the court in London a knowledge of that which takes place at the different branches?—I read from the report already referred to: "Regular advices of the proceedings at the branches are transmitted by the managers to London by post every second or third day, according to circumstances; and at the end of each week a complete statement of the whole transactions is made up, and forwarded by the mail-coach. These returns are first examined by the officers of the London establishment and then submitted to the directors. For giving the necessary orders arising out of these communications, for judging of all matters referred to them from the branches, for disposing of the bank's funds in London and Dublin, and for the discharge of all other duties implied in the exercise of a superintendence over the whole establishment, whether in Ireland or in London, the directors hold regular and daily meetings."

4363. Are the accounts which are sent from the branches accounts in detail of the whole of the operations of the bank?—They are.

4364. Are they, in fact, transcripts of the accounts of the bank from period to period?—They are so; with this explanation regarding the current accounts of parties holding accounts with the bank, every particular draft or receipt is not sent to London, or rather the entries of these, I mean, are not copied or sent to London; but there is this check on the operations at the branches, the exact balance of every man's account at the end of each week is given, and forms part of an abstract of the balance-sheet which is sent forward, and which must agree; therefore if it were wrong it would at once detect itself.

4365. Then no variation can take place in the actual balance without the attention of the court being at once called to it?—None can.

4366. And is the name of each individual to whom these advances are made from time to time brought under the special notice of the court of directors in London?—Yes; by the following process. The branches are divided amongst the directors, so many allotted to such a sub-committee, who take up the affairs of these branches each week in succession, and examine all the bills that have been discounted, the advances that have been made of any description, and the balance of each man's account, whether in his favour or against him.

4367. Have you any system of inspection by which you are enabled from time to time to verify the correctness of the proceedings of the branches?—We have; besides having a half-yearly balance-sheet made out with all the details of the affairs of each branch at the time, and which is scrupulously examined at London, there is an inspector (two at present), whose duty it is to go through the branches and to examine personally and verify every voucher and every particular, and to remain at the branch until they are fully satisfied that all is right.

4368. Who are these officers?—Mr. Murray, the first manager employed at Cork, was, from a conviction of his very eminent qualifications for that office, elected inspector; he is now our agent in Dublin, and chief inspector of the branches. There has been united with him in duty, first, Mr. Paton, who was manager at Armagh, and then manager at Cork, but who has now left our service, except that he has been elected a local director of the Armagh branch, where he now resides. Mr. Paton has been succeeded in the inspectorship by Mr. Hewat, who is at present acting as interim manager at Cork branch.

4369. Are the visits of your inspectors at stated and known intervals, or is any branch at any one moment liable to the visit of an inspector, and to an immediate examination and verification of their accounts and bills and balances?—Every branch is so liable to be visited; there is no previous intimation given, except the visit be for some particular purpose which, by a representation from the branch, calls on the inspector to go.

4370. As an additional security, have you yourself, or any of the directors, been accustomed to visit the branches, and to report thereon?—I have myself every year, and sometimes oftener than once a year, even twice or three times in a year, gone to Ireland, and have gone through the whole branches, in fact, more than once, at different times; and on all occasions have made examinations which appeared to me to be necessary; and besides that, the directors have in person repeatedly

repeatedly visited the branches; deputations of the London directors, I mean, have so done.

4371. What are the regulations under which you issue your promissory notes in Ireland; are they all dated at the place of issue, and made payable there?—Uniformly; the only exception is the case provided for by a special Act of Parliament, whereby visits of agents of banks, or of managers of banks, to markets are permitted; and where such banks have no stated place of business; for it is indispensable by the law, that in such circumstances they are not to have a stated place of business, or a house open every day; but they visit the market, and discount the bills of farmers or others who frequent that market, and issue the notes of the branch, from which they come, such notes being payable at that branch only.

4372. Does that apply mainly to the great fair of Balinasloe, in Ireland?—That is the greatest instance of it; that is only once in a year; but in the north of Ireland it is a custom that has prevailed from time immemorial, with all those banks which are in the habit of issuing notes.

4373. Is that ever resorted to by the Provincial Bank with the view or the effect of escaping from the responsibility of paying gold for their notes at the places of issue?—Never, in any case, has it been done so. It has only been adopted for the convenience of the persons frequenting those markets, whom it had been the habit of bankers generally, in the north of Ireland, to supply in that manner.

4374. And in no case is that done where there is a house of business established on the part of the bank?—None; not a note is ever issued by the bank under any such circumstances.

4375. Your branches being thus legally responsible only for that amount of paper which is issued from the branch, and which bears the date of that branch, are you accustomed to pay those notes only, or do you pay your notes indiscriminately?—We pay them indiscriminately; by practice we never refused them at any branch, and by courtesy we pay them in Dublin; we have done so from the beginning.

4376. Though not legally bound to pay them?—Not legally bound.

4377. In the origin of the Provincial Bank of Ireland were there any difficulties found, from the existing state of the law, in your transactions with the Bank of Ireland?—There were, with regard to the payment of notes; I may mention now, the Bank of Ireland imagined that our doing so in Dublin was an infringement of their privileges, and they instituted an action against the Provincial Bank, which, after being carried on for some time, was compromised through the mediation of the then Chancellor of the Exchequer.

4378. Who was that?—Mr. Goulburn.

4379. That was during the Duke of Wellington's administration?—It was.

4380. Will you state to what that compromise led?—It led to the introduction of an Act of Parliament, with the consent of the Bank of Ireland, authorizing notes to be paid in Dublin, at the option of the bank that issued them, not making them payable on the face of the notes in Dublin, but legalizing the payment of them there.

4381. Was there any written agreement between the Provincial Bank and the Bank of Ireland?—There was an agreement drawn up to that effect, and it followed out of that arrangement that the Provincial Bank became bound to make a confidential return to the Chancellor of the Exchequer for the time being of the amount of notes which they had issued, or which were current, four times in every year, and of the amount of gold in hand to answer these notes, which it was stipulated should not be less than one-fifth part of the amount in circulation.

4382. Are you aware whether that stipulation with respect to keeping up that amount of gold was a suggestion that came from the Provincial Bank itself, or a condition imposed upon the Provincial Bank by the Government, or by the Bank of Ireland?—It arose out of the conferences which took place, but by whom it was at first suggested I really cannot at this moment answer.

4383. Was the Provincial Bank at that period the remitter of the public revenue?—It was of a portion of the public revenue.

4384. When was that arrangement made, and with whom?—It was made with Lord Liverpool's government in 1827; I think Lord Liverpool was the prime minister at the time.

4385. What was the arrangement made?—The arrangement was this: the revenue of Ireland collected above 50 miles from Dublin, (within which 50 miles

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we had no interference with it), but above 50 miles, it was divided between the Bank of Ireland and the Provincial Bank in this way (I mean the receipt of it from the collectors): the Bank of Ireland was to have the Customs revenue above the 50 miles throughout all Ireland, they having also all the revenue within the 50 miles of all descriptions; the Provincial Bank, again, had the Excise, the Stamps, and the Post-office, above the 50 miles, it being the duty of the collectors in these several departments to pay over their collections weekly or daily, as often as they chose to do it, at the branches of the Provincial Bank of Ireland, the Provincial Bank then undertaking to pay in Dublin at the end of 12 days from the close of every week, the whole amount received of these revenues, without any deduction, or any allowance by way of commission or otherwise.

4386. Do they remit "at sight"?—The amount collected in each week is payable at 12 days after the Saturday of the week in which it is collected.

4387. That arrangement was made with Lord Liverpool's government; was there any alteration in that arrangement made since the commercial crisis of 1836?—None.

4388. None whatever?—None.

4389. Now, will you inform the Committee, having stated that by the agreement made, with the sanction of the Duke of Wellington's government and the Bank of Ireland, the Provincial Bank is bound to keep up a given amount of gold as compared with its circulation, is there any book kept by the Provincial Bank which brings specially under the notice of the directors the state of gold as compared with the circulation of their branches from time to time?—Every week; regularly made up every week.

4390. Is the attention of the directors specially called to any variations in that gold?—Constantly.

4391. Can you inform the Committee whether those confidential returns have been given in by the Provincial Bank to the Chancellor of the Exchequer for the time being?—Uniformly, and without any exception; I have myself made them all, unless in a few cases when absent from London on business.

4392. Can you inform the Committee whether the obligation so imposed upon the bank has been complied with; or if there has been any departure from those conditions, of what nature that departure has been?—Only except in the way of excess.

4393. Will you state upon what principle the circulation is calculated?—It is the actual circulation at the time; that was the agreement made; the amount of notes in circul tion on the last Saturday of each quarter.

4394. Sir *Thomas Fremantle.*] Is the amount of bullion the same?—Yes, as regards the proportion which we are bound to maintain; and as to circulation, besides these returns to the Chancellor of the Exchequer, we make a half-yearly return to the Stamp-office of every description of the notes in circulation each Saturday, by striking the average of which for 26 weeks, the duty payable on them is ascertained.

4395. Do you know what the amount of bullion required is?—One-fifth.

4396. *Chairman.*] The amount was one-fifth part?—Yes; that applies to gold only, not to silver; we have always a very large sum on hand in silver, besides Bank of England notes and Bank of Ireland notes.

4397. * * * * * * * * *

4398. Could you inform the Committee, in reference to that last entry, what would be the amount of silver coin at that time held, and of notes of the Bank of England and Bank of Ireland?—The return to this Committee was made in my absence, when I was over in Ireland, latterly, and I see it gives in one sum only, gold and silver, Bank of Ireland notes and other bank notes, and does not apply to the above date.

4399. In point of fact, in addition to this amount of gold coin, has there been at all those periods a considerable sum in addition of silver coin and of Bank of Ireland notes and Bank of England notes?—There always has, without any exception.

4400. Could you complete this return, by adding in another column, in reference to these dates, the amount?—Very easily; with the permission of the Committee, I will take it back for that purpose, and hand it in at the next meeting of the Committee.

4401. Will you inform the Committee whether it is the usage of the Provincial Bank

Bank to invest any portion of its funds in the public securities?—It has been its uniform practice so to do.

4402. By public securities, what do you understand?—The consols, for instance; there are various kinds of Government stock; Exchequer-bills, and Bank of England stock, is generally considered as a public sort of security.

4403. Do you hold stock in London only, or in Dublin as well as in London?—In Dublin, but to a limited amount, because it is not easily convertible there.

4404. On what ground is it that it is not easily convertible in Dublin?—From the limited nature of the market as compared with London; we could not sell an immaterial sum without lowering considerably the price.

4405. Have there not been at various times, from various causes, runs on the Provincial Bank, which rendered it necessary to supply large amounts of specie to that country?—There have, repeatedly.

4406. Do you consider, from your experience, that it would have been competent to the bank to have maintained its full security, with satisfaction to the directors, if they had not been possessed of very considerable funded property in this country?—Certainly not; speaking of the last run that happened especially; I must say that that differed from any former run in this respect.

4407. You were conversant with the management of the Scotch banks prior to your connexion with the Provincial Bank?—Yes.

4408. Is it not the usage of all the Scotch banks in like manner to maintain a very considerable portion of their funds as invested in the Government securities?—I believe the practice with all is generally so, but I can speak particularly to that of the three oldest banks, as they are commonly called the three chartered banks, the Bank of Scotland was erected by Act of Parliament, the Royal Bank of Scotland and the British Linen Company are erected by charter, but have been recognized in the same way, so that there are three public banks in distinction to any of the subsequently formed banks; I can state from personal knowledge that these banks have had always a very large sum indeed invested in the funded property of the kingdom.

4409. Do you consider it would be a safe system of banking, if the capital of the bank was altogether invested in commercial bills?—Certainly not.

4410. Does not that observation apply more particularly to banking in Ireland, in reference to that portion of capital which may be invested in what are termed local bills?—Certainly.

4411. Would those local bills, in a time of exigency and of danger to commercial credit, be available assets on an exigency in this country?—I conceive not, we never had any occasion to make such an experiment, but local bills are to be distinguished from what are properly commercial bills, bills drawn from Ireland on this country, which are in ordinary times easily negotiable in such a market as London, but which were not without the greatest difficulty negotiable in the late crisis.

4412. What description of paper is generally submitted to you for discount at your branches; if it can be divided into classes, have the goodness so to divide it?—Yes, it can be easily done; there are three general descriptions of paper, which may comprise them all: take first the bills upon Britain, which may be payable either in London or Liverpool, Manchester, Glasgow, and other commercial towns; London is not, as it was once in my acquaintance with banking, almost the representative of all the other parts by bills being made payable there, whether they were upon Liverpool houses or Glasgow houses, and so on. The custom is now much more that the bills are payable in those towns where the parties reside on whom they are drawn, though London, of course, has the pre-eminence, still that forms one great class; and bills payable in Britain drawn as representatives of produce exported from Ireland to Britain. Then come what are strictly local bills; bill payable at the places where they are discounted. There is another class in Ireland: bills payable in other towns in Ireland; and in some districts of country these are very considerable; for instance, in the north of Ireland, Belfast is a sort of emporium, where all bills of that description are made payable; Dublin, I need not say, being the capital of Ireland, is the same with regard to all Ireland. The bills at Balinasloe fair, which are of a very important amount, are almost uniformly made payable in Dublin upon the salesmen, wool dealers, and so on, to whom the produce goes.

4413. Now do you discount much paper below 10 *l.*?—No, very little of that.

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4414. Have you known any discounts of paper as low as 5*l.* of that character?—No; I have seen such a small bill taken for some particular reason, but it is no part of our usage.

4415. But suppose 1,000*l.* worth of bills at any of the branches you have visited, do you conceive that any considerable proportion of that would be of bills of 10*l.* in value?—No, certainly not; there might be a portion undoubtedly.

4416. If you found that your managers and local directors were discounting paper of 10*l.* and 5*l.* value, is that a system which you conceive your court would encourage or would check?—Which we would check, I should say.

4417. Mr. *Clay.*] In the inland towns in Ireland, what is the nature of the transactions that give rise to those bills that you call purely local, not in other parts of Ireland, but in the immediate neighbourhood?—The transfer of property of various kinds; one man sells some commodity to another, and gets a bill for it.

4418. Agricultural produce?—Yes, very often; and the dealers in the towns of Ireland supply their customers all round the country and small dealers with the articles they deal in; that gives rise to a considerable number of transactions.

4419. Then the bills are in payment of purchases, partly of colonial produce or manufactured articles sold by shopkeepers to the surrounding farmers, and partly in payment of the sales of agricultural produce?—Yes, it is so; but generally speaking, the agricultural produce that is brought to market is all paid for in money; the small farmers who bring the corn and pigs and these sort of commodities to market, they do not become the drawers of bills on persons to whom they sell them; they get all the payments in money.

4420. They are not bills drawn as securities for small loans of money to enable parties to pay their rent; it is not in the nature of accommodation transactions of that kind?—Why, there will be some of these of that description; our object is to see we have a good person to deal with.

4421. Does any considerable proportion of those which you call local bills in ordinary times consist of paper of the description to which I have recently alluded, namely, securities for advances of money independently of what may be called commercial transactions?—We discourage anything of the kind, where it can be perceived to be a transaction of that kind; we consider it not a legitimate transaction for us.

4422. Is that practice carried on in inland towns with which the witness is conversant?—No doubt there may be a great number of transactions of that description constantly, which it is not in our power to detect; and I have that conviction that there are many such transactions constantly passing; but then it is not a class of transactions we court or wish to have anything to do with.

4423. But, as a rule, you discourage that species of bill accommodation?—We do.

4424. *Chairman.*] Has the Provincial Bank endeavoured to introduce into their branches in Ireland the system of Scotch cash credit?—Yes.

4425. Has it gone to any extent?—Not to be a very distinguishing feature in our business.

4426. Have you applied the actual principle of Scotch cash credit, or altered that principle; I allude especially to requiring security from the parties, and not considering an uncovered account to be a cash credit?—We have certainly not altered the principle.

4427. Is there not a tendency sometimes that a cash credit of that description should resolve itself into a permanent loan, in place of being an active account?—There is no doubt that there is such a tendency.

4428. Is it the object of the bank to prevent that tendency becoming developed so as to form an alteration of system?—We have endeavoured to maintain a constant check against such a tendency by requiring periodical reports upon every particular account, both with respect to security and utility, and are thus enabled to judge of them, for instance, of 500*l.* or 1,000*l.* If a credit were a dead loan, the full interest of the credit would become due upon it; the amount of interest that is due upon it is a certain indication of itself without seeing any transaction at all; that is to say, a certain indication either of its being a dead loan or the reverse.

4429. Then in the event of its appearing upon the face of the accounts that a cash

cash credit was converted into that species of dead loan, what steps would the bank under ordinary circumstances take?—We should call for the payment.

4429*. You have alluded to various runs that have taken place upon the Provincial Bank; how many of those transactions have occurred within your knowledge?—Seven, I think.

4430. Will you state the dates of them?—The first that took place was in March 1826; the next in October 1828; which, considering the few branches affected, was a very severe run indeed; the next was in June 1830; the next in November 1830; the next in January 1831; the next in February 1833, and the last in November 1836.

4431. Now was there any interruption as to the general payment of the banks at any one of those periods?—Never; there never was one instance of interruption, nor a moment's delay at any one place.

4432. Did it become necessary in those cases to send over additional supplies of gold from England?—It did.

4433. Can you state, in reference to any one of those periods, which was the period at which it became necessary to send the greatest amount of gold from this country?—In October 1828.

4434. Can you state the amount of gold remitted at that period?—The amount of gold and of Bank of England post bills, with other supplies then remitted, exceeded 700,000 *l.*

4435. Can you state what the amount of gold had been in the possession of the bank and its branches prior to that remittance of 700,000 *l.*?—I cannot state that now, but I shall be able to furnish the Committee with that information.

[*The Witness was requested to do so.*]

4436. Was the run of 1828 the most severe to which the bank was exposed?—It was the most severe in this way, that we sent more gold at that time, but it was not so severe in other respects; the branches in the north were entirely exempted from it.

4437. It was partial then?—It was partial, but we paid a much larger sum of gold in proportion. The reports which are in the possession of the Committee will explain every one of them.

4438. The case of 1828 was the most severe run to which the bank was exposed; was it?—We sent more gold then from this country.

4439. How was that gold obtained in this country, was it obtained ultimately from the Bank of England?—It was obtained at the Bank of England, by simply presenting their notes and getting gold for them.

4440. Could those demands upon the bank have been effectually answered if the bank had not been possessors of large funded property, and holders of Exchequer bills in this country?—I dare say they could; I was going to advert to that before, in stating the difference which existed between the run of November 1836 and this very run in 1828. There was no difficulty in negociating commercial paper in London then; we could have had it re-discounted but there had not, in our experience, occurred such a case of universal distress, I may say, and difficulty, as did exist in the course of last winter; without Government securities we should have had very great difficulty in getting the gold we had to send over in November last.

4441. You have stated, that the amount sent in 1828 was about 700,000 *l.*?—Yes; gold and other supplies, exceeding that amount considerably.

4442. Can you state what was the amount which was remitted in like manner in 1836?—In 1836 we sent 400,000 *l.*, but, foreseeing something like what did happen, we had a much larger preparation previously made.

4443. Can you state now from recollection, and in round numbers, what relative proportion the gold held by the bank in the run of 1828 bore to the promissory notes which were in circulation at that time, and for which the bank was responsible; was it one-half?—What proportion of gold we had?

4444. What proportion of gold you had after having sent over that quantity?—I have before me a statement of what the deposits were.

4445. I am not asking you what the deposits were; I am asking you in reference to the circulation?—I have not a table of the circulation, except during the existence of that agreement, under which the confidential returns are made to the Chancellor of the Exchequer.

[*The Witness was requested to supply that.*]

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4446. But can you state from documents before you, what the proportion was in 1836, after you had sent over 400,000 *l.* worth of gold; what the proportion was that your gold bore to your promissory notes, payable on demand, at that period?—Yes; this return shows that; here is the very return up to Lady-day 1837.

4447. I refer to 1836, the time of the pressure?—It is every quarter, Lady-day, Midsummer, Michaelmas and Christmas 1836; I have it at each of those periods.

4448–50. * * * * * *

4451. Has the Provincial Bank ever taken any steps in order to force their circulation, to the exclusion of the circulation of other banks, by offering any premium upon the circulation of one note over another?—Never anything of kind.

4452. Mr. *Hamilton.*] Has there been at any time any collision either between the authorities of the branches and the central board, or between the local directors and the officers, the managers and accountants at the branches?—The board in London have occasionally had to exercise their superintendence in the way of direction and reproof occasionally.

4453. But I mean any serious collision?—No; certainly not.

4454. Nor between the manager and the accountant at any particular branch and the local directors of that branch; I mean a collision amounting to a protest, or to a dispute between the parties?—No, it is not in my recollection at present.

4455. *Chairman.*] Is not the authority of the central board so complete, that in any case, by their own authority, they could terminate certain disputes?—No doubt of it.

4456. Do you keep a strict register of all the notes which you issue and put in circulation?—Every note issued is entered in a register, and every note as it is cancelled is written off the books.

4457. Is a return made to you by the branches, so as to enable you to ascertain with strictness the amount of outstanding dependencies in the shape of promissory notes at any one time?—Yes, every week, regularly.

Martis, 4° die Julii, 1837.

MEMBERS PRESENT.

Mr. Chancellor of the Exchequer.	Mr. Hamilton.
Sir T. Fremantle.	Mr. Jephson.

MR. CHANCELLOR OF THE EXCHEQUER, IN THE CHAIR.

Mr. *James Marshall,* called in; and further Examined.

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4458. *Chairman.*] IN your last examination, you spoke of the commercial pressure which occurred in the year 1836; at what period did that first manifest itself in the establishment of the Provincial Bank?—About the end of October.

4459. Had your attention been called to the subject of the possible commercial pressure, by anticipation, and had the Provincial Bank taken any steps to avert or mitigate it?—It had.

4460. How soon?—In fact, in the previous year the attention of the directors had been called to it from the great increase of branches of banks spreading over the country, and the necessity of increased caution on the part of our bank; and injunctions were issued to the managers and continued up to the very time, from 1835 to 1836.

4461. Did you attend to the availability of your funds, and to the supplies of gold?—Yes, we kept a large sum of gold in 1836.

4462. Did you diminish the issues of your bills or the amount of capital?—We restricted the currency of bills; four or five months had become to be a very general term for bills, but we restricted them to two and three months.

4463. Were

4463. Were those precautions taken by you, and persevered in up to the period that the commercial pressure showed itself strongly?—They were.

4464. At what rate did you discount at that period?—We were under the necessity of discounting; while the Bank of England discounted, at 4 ½ per cent., English bills, we were obliged to follow them.

4465. Did you make any alterations in the rate of discount prior to the alteration made by the Bank of Ireland?—Not as to English bills.

4466. Then at one time must you not have been discounting in Ireland at a lower rate than the Bank of England was discounting in London?—No doubt of it.

4467. Do you think that that was consistent with sound principles of banking?—Certainly not.

4468. Is not the general value of money somewhat higher in Ireland than it is in England?—It ought to be; but certainly there have been occasions, arising out of the great competition among the banks, when it has not been so.

4469. Had you any communication with the Bank of Ireland on the subject of the rate of discount?—They never were willing to communicate upon the subject with us; we had no special communication at that time; we have had various communications with them, but they always were inclined to take their own mode.

4470. At this period, when you have said you have been discounting English bills at 4 ½ per cent., at what rate were you discounting Irish?—At 5 and 6.

4471. Was the Bank of Ireland discounting Irish bills at that rate?—They cannot charge more than 5 *l.* per cent.

4472. Therefore, though you discounted English bills at the same rate with the Bank of Ireland, you were in fact discounting your Irish paper at a higher rate?—The best Irish paper, really good and legitimate paper, of course we had no inclination to charge higher.

4473. Where did the pressure manifest itself most strongly, in the branches of the Provincial Bank?—In the north; it was as to the currency of bills; the tendency to extend the currency, more particularly in the north.

4474. Was it in the north the most active competition prevailed with other banks?—Yes, because in the north there are two or three powerful local banks; they had the competition of the Agricultural Bank, but not of the National Bank of Ireland; the latter bank had no branch in the north at all; therefore, in the north it never entered into the sphere of competition.

4475. To what cause is it that you attribute that commercial crisis of the months of October and November 1836?—I conceive that the commercial relations of Great Britain had by that time begun to alter very considerably with its foreign connexions, which produced a scarcity of money in Britain, that was necessarily felt by those banks that entered keenly into rivalship in Ireland.

4476. If there had not been that excess of competition in Ireland, founded upon the establishment of banks with a great many branches, do you conceive that the commercial crisis of November would have been as strongly felt as it was?—I do not think it would.

4477. You have been in Ireland yourself?—Repeatedly.

4478. You know some of the places in which branches have been established of late years, both by the Provincial Bank and by other banks?—Certainly.

4479. Do you consider that the principle of branches has, in its application, been kept within just and legitimate bounds?—Why, we have been compelled, very unwillingly, I may say, to establish branches in places where we should not have thought of establishing them, for the purpose of retaining our own business, and preventing its being interfered with.

4480. How many have you now?—Thirty-four.

4481. Can you tell how many you had at the close of 1830?—Prior to 1831, fifteen.

4482. Are all those branches, or are any of them, subordinate agencies?—They are all regular branch banks.

4483. At all of them you hold yourself responsible for payment in specie for notes issued there?—Yes, and no note is issued at any one of them that is not payable at the place, nor has the bank on any one occasion ever made any such issue that was not so payable.

4484. Have you ever adopted the artificial means of extending your circulation by exchanging your notes for the notes of other banks?—Never, on any occasion.

4485. Now the commercial pressure being at its height about the month of November and December 1836, did that manifest itself chiefly in Dublin or in the branches;

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branches; was it a difficulty produced in the exchanging and retiring of the notes, or a difficulty in the payment at the branches, as applicable to banks generally?—It was quite evident to us that it pressed on other banks at their branches, but the system of exchange in Dublin was universal with all, and while they could manage that, they could still go on; we on no occasion pressed on any bank.

4486. If the joint stock banks of Ireland had been authorized by law to issue notes in Dublin as well as in the provinces, do you think the commercial pressure would have been greater or less than it was?—Had they carried on all manner of banking business in Dublin and issued their own notes, I should have been disposed to say the pressure on some of these banks might have been greater.

4487. For instance, take the Agricultural or Provincial Bank, if they had the power of issuing paper as well in Dublin as elsewhere, would not the pressure on the Dublin market have operated to a most formidable degree on all the branches of those several establishments?—There would have been this check on it, the notes would have been more quickly exchangeable. The notes that were put forth would have come into the hands of each other bank; which would have operated to repress such issue, and might so far have counteracted the effects.

4488. But do you not think that if the Provincial Bank had a power of issuing promissory notes in Dublin, and within a circle of 50 miles, its circulation at this moment would be much larger than it is now?—I think it would.

4489. Would not the same causes have led to a more extended circulation of the other joint stock banks also?—So far as they commanded the confidence of the country.

4490. If it had led to those results, would not the difficulties of November last have been infinitely greater than they were?—It is certainly probable they would.

4491. There was no pressure in Dublin, was there, on the Bank of Ireland?—I am not aware.

4492. I believe your first mode of raising your stock was by 100*l.* shares, on which 25*l.* was paid?—Yes.

4493. You have since altered that system?—No, I cannot say we have. The directors felt last year that the reserved profits had amounted to a sum in which the proprietors at large were entitled to participate. And then it became a question what was the most beneficial way of dividing that among the proprietors, both for their good and for that of the bank; and inasmuch as banks with smaller shares had prevailed in Ireland, and every means were taken to render such things popular, it occurred to the directors that part of the profits might be distributed in shares of 10*l.* (which of course did not add to the capital); 4,000 shares, of 10*l.* each, were accordingly distributed in a certain proportion among the existing proprietors; and the directors took a power at the same time to issue 16,000 more of 10*l.* shares, if they saw it right to increase the capital. And so far it might appear to be a deviation from our original mode of calling up more capital on the existing shares; it was a power of increasing the capital by another mode, but we have never resorted to it at all; these 16,000 shares have not been issued.

4494. With respect to the 10*l.* shares which you divided among the proprietors, what was the cause of your making that partition in shares of 10*l.* each, rather than in shares of 100*l.*, or adding to the value of the stock of the 100*l.* shares in some other mode?—To make it within the reach of persons in moderate circumstances in trade. It did not appear to the directors that it diminished the respectability of the establishment, which remained as it did before as to the capital of two millions, created by 100*l.* shares; but at the same time rendered a participation within the reach of persons in more moderate circumstances.

4495. Had other banks established themselves in the meanwhile which created capital on smaller shares?—We understand so.

4496. Do you conceive that those smaller shares gave an advantage to those other banks over you?—To this extent, that it was a popular thing with small capitalists, and put it within their reach in Ireland to become shareholders of the bank.

4497. Supposing there had been no issue of 10*l.* shares on the part of other banks, would the Provincial Bank, in your judgment, have felt it wise to take that step of issuing these small shares?—I do not know that it would; the thing probably never would have occurred.

4498. Should

4498. Should you think it wise and prudent on the part of the Provincial Bank to raise all its capital not on 100*l.* but on 10*l.* shares?—No, I do not think that.

4499. Suppose 500,000*l.*, the paid-up capital of the Provincial Bank, had been raised by 10*l.* shares, the whole being paid up, in place of being raised on 100*l.* shares with 25*l.* paid up, do you think the security to the bank or to the public would be equal to your present mode of proceeding?—No, unless the same persons were proprietors as are now proprietors, which would not have been the case had the shares been so small.

4500. Supposing the persons who are now proprietors had been proprietors, would you have the same means of increasing your capital so advantageously in the one instance as in the other?—That would depend on circumstances it is impossible to decide upon, unless they actually happened. If the bank were a very thriving concern, a general meeting of the shareholders might have given authority to increase the capital, I have no doubt; I have seen that repeatedly in Scotland, where additional capital has been called for, and shares have risen to a great premium from the very circumstance, and all means have been taken to buy up the shares to have the advantage of the capital.

4501. But suppose the demand for capital to arise from a pressure upon the Bank, do you think you have the same means of making capital available, when you can call for capital under the penalty of forfeiture of the shares, as when you can call for it by an appeal to the shareholders without such forfeiture?—Certainly not.

4502. By Returns before the Committee, various banks appear to have been established on shares of a very small amount, 10*l.* and even 5*l.*; do you think that that is a sound system of raising bank capital?—No, I do not.

4503. Does it give you the same chance of a respectable and wealthy constituency as when the shares are large in amount?—Certainly not.

4504. You are aware that under the existing state of the law, any parties complying with the requisites of the Act, may, by a deed of partnership known only to themselves, commence banking; do you think it would be an improvement in the law, if, before any such bank commenced its operations, there should be a supervision of that deed of partnership, so as to ensure its containing whatever is essential, both for the welfare of the bank and the welfare of the public?——It would be a very great improvement, and I should say indispensably requisite now.

4505. Where joint stock banks are multiplied, do you think the public have adequate safety without some such supervision?—Far from it; I am very far from thinking they have.

4506. You are aware that under the law as it now stands, a bank may be established without any stated or ascertained amount or proportion of shares being subscribed for; do you consider that it is safe to allow the establishment of a bank, issuing promissory notes payable on demand, without seeing that either the whole, or a given proportion of the shares, have been subscribed for?—Certainly not.

4507. By the Returns before the Committee, it appears that many banks have commenced operations without any given amount of capital being paid up on the shares which are subscribed for, and therefore they give to the public a nominal rather than a real amount of capital; do you consider that that is a state of law that ought to continue?—I think it is the greatest possible abuse of the principles of joint stock banking, and calls loudly for remedy.

4508. As one who is conversant with joint stock banking principles, you conceive that those suggested alterations would be improvements on the existing law?—I do decidedly think so.

4509. Have you reason to believe that the opinion, such as you have given to the Committee, is the opinion of those under whom you are acting at the Provincial Bank?—I believe it is.

4510. Do you consider that it is a safe system to allow a joint stock bank to become traffickers in their own shares?—Not traffickers, certainly; but I do not think it necessary to prevent them taking security in their own shares. I am supposing a bank with an adequate portion of capital paid up, and its business fairly and firmly established; I have witnessed such to be the practice in Scotland in the three principal banks there, viz. the Bank of Scotland, established in 1695; the Royal Bank, established 1727, and the British Linen Company Bank, established in 1746. But it is only to a moderate amount that these banks give credits on the security of their own shares.

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4511. Your suggestion is, not that they should make the buying and selling of their own shares matter of profit, but that they should not refuse the security of their own shares as collateral security for advances?—Precisely.

4512. If banks have been in the habit of buying and selling their own shares at the mere will and pleasure of the directors, does not that open the door to very great fraud?—It does indeed.

4513. Do you not consider that the same objection applies in principle, though not to the same extent and degree, if a bank commences, we will say, upon 100 shares subscribed for out of 1,000, and reserves to itself a power of issuing, at its own will and pleasure, the 900 shares it has kept in reserve?—I do think that such a system is liable to that objection in a very great degree.

4514. May it not, by its mode of dealing with those shares, act on the market, and alter the entire value of the property of its proprietors?—Undoubtedly.

4515. Has the Provincial Bank abstained to any extent from investing money in the permanent mortgage of landed property?—Yes; it is no part of our practice.

4516. Your observation does not include cases in which you have accepted, as collateral security on advances, the deposit of deeds, or the security of real property?—It does; for although we have occasionally received those in collateral security, whenever a loan has been applied for by way of mortgage on property, it has been uniformly declined.

4517. Therefore, cases in which you have made advances even on collateral security on landed property, are to be considered as exceptions, and not as the rule?—Yes.

4518. Will you explain to the Committee what steps you take before you declare a dividend?—We have regularly a balance every half year; the dividend has only been declared once a year, at the termination of the year, which is in March; our year ends in March. Prior to that period, each manager is directed to send up a special report of every obligation which is outstanding, or of any which is doubtful, describing particularly in the report every party to such obligation; that is preparatory to going further into the matter; then when the balance at the end of March is completed, a complete balance sheet of every branch is made up and sent to the bank, with a more detailed report. A special committee of the directors is appointed to examine those, and they go minutely through them, and weigh every outstanding debt, and strike off every thing that is considered to be irrecoverable; they then consider in what degree the reports of the managers represent every other outstanding debt to be recoverable, either in full or in part, and when all that has been done, they add generally a sum to cover still any possible omission, and it is only then that the fair profits of the year are considered to be ascertained.

4519. Therefore, the profits are ascertained after writing off all the bad, and making allowance for all the doubtful debts?—Yes, to a liberal amount.

4520. That is done by the directors themselves having full access to all the reports?—By a special committee of the directors, who sit from day to day for the purpose, and who have before them every single document that can throw light on the subject.

4521. Have they before them not only the reports made by the local managers, but any observations which may have been made by the inspectors during their periodical visits?—They have.

4522. Can you inform the Committee how far your calculations, your annual calculations of bad and doubtful debts, have or have not been below or above the mark?—In many instances our allowances have exceeded what has turned out to be the real loss; for, as I mentioned before, the directors, in order to be more secure, have been in the practice of making an additional deduction over all the deductions made by the officers at the branches.

4523. What was your last dividend?—Eight per cent.

4524. Can you state to the Committee whether you consider that dividend to have been fairly declared out of the legitimate banking profits?—I can.

4525. You have no doubt on that subject?—I have not.

4526. Suppose, in the course of the year, you had had any very considerable profits in the sale of stock or the negociation of public securities, should you consider those adventitious profits as being the fair groundwork of an increased dividend?—No, we should not.

4527. Would you then consider those peculiar profits as a possible set-off against

against the possible loss and casualties of a similar kind, restraining yourselves consequently to the legitimate profits of the bank from which alone you consider your dividend ought to be declared?—Yes.

4528. Restraining your mode of making your dividend to the legitimate banking profits?—We do; we consider we must always be holders of stock, and though there is a profit at one time there may be a loss at another.

4529. What accounts do you communicate with respect to your balance sheet to your proprietors?—One of the reports will show the nature of the account.

	£.	s.	d.
By the account submitted to the last yearly general meeting, the amount of undivided profits at the 28th March 1835, was - - - -	102,564	11	9
The net profits for the year ending the 26th, being the last Saturday of March 1836, after deduction of all expenses, and providing for all bad and doubtful debts, amount to - - - - - -	61,790	17	2
Together - - -	164,355	8	11
From which is to be taken the amount of dividends paid to the proprietors:			
At Midsummer 1835 - - - - - £. 20,000 - -			
At Christmas - - - - - - 20,000 - -			
	40,000	-	-
Remains amount of undivided profits at 26th March 1836 - £.	124,355	8	11

That is given *mutatis mutandis* every year; and from that sum of 124,355 *l.* the directors thought it was but just the proprietors should share in a part of it, and they took that method I have explained of giving a bonus of 4,000 *l.* in 10 *l.* shares.

4530. Have the directors been ready to give any information that would be required to the proprietors on submitting that report?—They have; the chairman has announced to the meeting that the directors were ready to answer any question any proprietor might feel inclined to put for explanation.

4531. Have the proprietors any power under your deed of settlement of naming any auditors, or having any examination of those accounts, so as to verify their fidelity?—We have no auditors, but there is a provision in the deed of settlement by which a certain number of proprietors may call for a further investigation of the accounts, if they are dissatisfied.

4532. Has that ever been done?—Never.

4533. Can you inform the Committee whether, in the event of a demand being made, there would be an indisposition on the part of the directors to give to the proprietors that information?—None, where it did not compromise the circumstances of individuals.

4534. Suppose, for instance, a proprietor was to make such a demand on the directors, one question might be whether the amount of bad and doubtful debts had been properly written off; how would it be possible for a proprietor at large to investigate that without going into the private circumstances of the individual customer at the bank?—They would be entitled unquestionably to see what debts were considered bad and doubtful; but I do think the directors, under any other circumstances, would think it right, if any proprietor were to ask what does such an individual owe you, to refuse the information.

4535. The question did not refer to any casual inquiry on the part of single proprietors; but in the event of that clause in the deed of settlement being resorted to as a check on the directors, would not the directors in that case feel themselves bound to give to the proprietors requiring the information the fullest information to verify the balance sheet?—I conceive they would.

4536. I think you were asked at the last meeting of this Committee to prepare for its information some accounts with respect to the transactions of the bank; have you done so?—I have.

4537. Mr. *Jephson.*] Do you think there is anything peculiar in the construction of this bank which has insured its being correctly and well managed up to the present time, or that it has rather arisen from the "happy accident" of the directors who were selected having been honourable and correct men of business?—I conceive the very first and indispensable thing was an exceedingly respectable board of directors formed in the first instance, and which has always been maintained. In the next place, that the system of accounting that was adopted and the check on

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the operations of the different branches, which has not been departed from, has most materially contributed to that good result. In the next place, there was an exceedingly good field for banking when we commenced, for Ireland was very destitute of good banks at the time, the Bank of Ireland operations having been confined only to Dublin. Therefore, from all those concurring circumstances, I conceive the prosperity of the bank has resulted.

4538. Had not the directors so conducted themselves, there was nothing in the constitution of this bank that prevented the directors of the Provincial Bank managing the bank as the directors of banks have managed them in this country, and producing much injury to the proprietors before the fact of its ruin was known to the proprietors themselves?—Unless the officers had combined with the directors, I do not see how they could.

4539. *Chairman.*] Are you aware whether in any other existing joint stock Irish bank there is the same provision that exists in the Provincial Bank, by which every manager has a veto on the acts of the local directors?—I really am not so well acquainted with the constitution of these banks as to know this.

4540. Do you not think it is essential to the well-being of the bank?—Yes.

4541. You having two classes of shareholders, one of 100*l.*, on which shares 25*l.* are paid up, and in the other 10*l.*; do you anticipate any possible contingency by which a clash of interest could take place between these two classes?—I do not. By the 8th resolution, creating the new 10*l.* shares, it is declared, "That no number of 10*l.* shares shall qualify, either entirely or in part, any holder thereof to be elected or to act as a member of the London court of directors." By the 10th resolution, "That each proprietor of any such 10*l.* share or shares as aforesaid, shall have and be entitled to such and the same rights, privileges and benefits, perquisites and advantages, in all respects, as in and by the said deed of settlement are reserved and given, or provided to or for or in favour of the proprietors of any 100*l.* share or shares in the original capital of the said society, save and except in so far as such rights, privileges, benefits, perquisites and advantages or any or either of them, are or is negatived or restricted and confined by the foregoing resolutions, or any or either of them." The seventh resolution is: "That each holder of four or more 10*l.* shares shall have the same privilege of voting on all occasions, in respect of each four shares, as by the deed of settlement is conferred on holders of 100*l.* shares, in respect of each 100*l.* share; and so in the proportion of every four 10*l.* shares to every 100*l.* share, in all cases where a specified number of 100*l.* shares is required to confer the right of voting. By the 4th resolution, the remaining 16,000 of such 10*l.* shares may be issued and sold to any person or persons (whether such person or persons shall be a proprietor or proprietors of the said society or not), at such time or times, upon such terms, and with or without requiring any premium thereon, as the court of directors may think fit; but not at a price less than the current market price for the time being of such of the said 10*l.* shares as may have been previously issued or sold by the court of directors, as aforesaid; and any premiums that may be required and paid, in respect of any such 10*l.* shares, shall constitute and be considered as part of the general stock or funds of the said society. By the 5th resolution it is provided, "That in all cases in which 10*l.* shares shall not be issued gratis, or by way of bonus, the whole 10*l.*, together with the premium (if any) thereon, shall be paid up at such time, and in such manner, as the court of directors, at the time of the allotment or sale thereof, shall fix or appoint; but no 10*l.* share shall be liable to any subsequent call after 10*l.*, and the premium (if any) on each such share, shall have been paid up."

4542. Does it not follow from these classes to which you have adverted, that a proprietor of four 10*l.* shares, having an equal voice in the deliberations of the shareholders, might have an interest in compelling a call for additional payments from the proprietors of the 100*l.* shares, without being called on to pay any himself?—The proportion "is in respect of 100*l.* shares." It requires five 100*l.* shares to give a vote, so that it would require twenty 10*l.* shares to give the same. But the proportion seems to enter into the case very strongly.

4543. Then that proportion only imposes a limitation on the possible inconvenience that was suggested; but subject to that proportion, such an inconvenience by possibility might exist?—It might; but the whole proportion is small in comparison with the other part of the capital.

4544. Have the goodness to put in the accounts you have been good enough to prepare?—These accounts refer to questions put to me as to the demands for gold that

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that had been made, and the provision the bank had for them. Therefore, here is an account of each of the extraordinary demands for gold to which the Provincial Bank has been subject from its very commencement up to last November 1836. [*The Witness delivered in the following Documents.*]

PROVINCIAL BANK OF IRELAND.

ACCOUNT showing the sums of Gold and other Funds transmitted by the said Bank from *England* to *Dublin*, or called for there by reason of the extraordinary demands for Gold at the Dates under-mentioned, such Funds being in addition to the provision maintained in *Ireland*, and found to be sufficient in the ordinary course of the business.

ACCOUNT showing,

1.—The Amount of the Notes of said Bank in Circulation on a Weekly Average of each Year since its commencement.

2.—The Amount, on a corresponding Weekly Average, of Gold and Silver Coin, and of Bank of *Ireland* and other Bank Notes on hand at its Branch Banks, and with its *Dublin* Agents; as also the Amount of Monies invested in Stock in *Dublin* or lent on available Securities at short notice from one Day to Three Weeks, and of Bank Post and Commercial Bills on *London*, of dates within the par of Exchange. The total of these items forming the Provision in *Ireland* for payment of the Notes of the said Bank: From 3d September 1825 to 25th March 1837.

ACCOUNT of the several Extraordinary Demands for GOLD which have been made upon the Provincial Bank of *Ireland*, showing the Commencement and Duration of these Demands, and the Amount paid to and the Amount received from the Public whilst the said Demands respectively lasted; made up to June 1837.

4545. Can you explain to the Committee the circumstances which occurred last year with respect to the law of the case by which Bank of England notes are made a legal tender in Ireland and elsewhere?—The Bank of Ireland resisted it; they would not admit of that construction.

4546. On what supposition does the Provincial Bank now act; on the supposition that Bank of England paper is a legal tender, or on the supposition that it is not?—We never refuse to receive Bank of England paper on any occasion.

4547. How are you advised as to the state of the law; whether it is the law that it is a legal tender, or that it is not?—We saw the opinions of the highest authorities, saying that it was legal.

4548. Do you consider that that state of the law is a convenience to the banking interests of Ireland, or the reverse?—I think it would be a great convenience to it; the Bank of Ireland does not seem to think so, however.

4549. Suppose a considerable sum was to be deposited with one of your branches at Clonmel or elsewhere, in Bank of England paper, and that the party having made that deposit, had the power of drawing against it, and taking your notes, for which you are liable to pay him gold, would not the effect of such operation be to cast on you the expense and risk of transmitting gold from London to Clonmel?—No doubt.

4550. So far, would it not be unjust?—Certainly, if it subjected us to such a hardship; but if the Bank of England notes were generally received in Ireland as a legal tender, and if we could pay them out again on such occasions, instead of importing gold, there would be less expense.

4551. But as there are no Bank of England notes under 5*l.*, and you are bound to make provision for a small-note circulation, would there be any importation of Bank of England notes to enable you to meet it?—Not except to a very small extent.

4552. What proportion does your small circulation bear to the whole?—Two-thirds; every half-yearly Return to the Stamp-office will show that proportion.

4553. Have you ever considered what the effect would be on Ireland if there was an assimilation of the law of Ireland as to small notes, with the law of England?—I have turned my thoughts to it. I do consider there is considerable inconvenience, in looking at the relations in which the two countries stand, and at the prices in one country differing from what can be realized in the other for commodities that are the produce of Ireland; I think there is a tendency in Ireland to give higher prices, especially under the circumstances of competition of last year and the year before, than can be realized in England.

4554. Have you seen that repeatedly in the state of the prices in the two countries?—I have.

4555. Supposing that the Committee are right in collecting from your evidence that the late commercial crisis in Ireland was greatly aggravated, if not produced, by the great extension and competition of banking; do you think that that competition and extension of banking, more especially in the branches, could have

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taken place to the extent that it has done, if there were no small-note circulation?—Certainly not.

4556. When the pressure has occurred at different times, as represented by these Returns, has that manifested itself mainly by the demands of the holders of the small notes?—Chiefly.

4557. Has there been a very marked difference between the demand on the Provincial Bank on the part of its depositors, from what there has been on the part of the holders of its promissory notes?—Very marked.

4558. Are the depositors the more wealthy classes?—Yes, though there are also great numbers in very moderate circumstances of life.

4559. Have the various panics which have occurred since the establishment of the Provincial Bank manifested themselves very much by the occurrences at the fairs and the markets?—Yes, certainly.

4560. And then distrust was created among the smaller farmers and purchasers?—Yes.

4561. Do you connect that distrust and alarm to any considerable extent with the circulation of the small paper?—I do; for it is in the hands of persons who are less informed than those connected with the circulation of larger.

4562. You are aware that there are distinctions in the banking law of England and Ireland in respect to the facilities given to joint stock banks in London to transact their business, which are not given to the joint stock banks in Ireland to carry on their business in Dublin?—There certainly are; there is a considerable difference in the power which a joint stock bank in England has with regard to managing its business in London, from what a joint stock bank in Ireland has in managing its business in Dublin.

4563. State the distinction?—It is chiefly in the drawing of bills upon London or upon Dublin. As the law now stands in Ireland, no bill can be drawn by a joint stock bank, from any part of Ireland, upon Dublin for a less sum than 50 *l.*, or which is payable on demand.

4564. Would it not be desirable that the laws should be assimilated in these respects?—Very.

4565. Mr. *Hamilton.*] Is that the only distinction in the law?—They cannot have houses of business.

4566. *Chairman.*] You know at the time the Bank of Ireland was discounting at so low a rate, English bills were sent over to Dublin to be discounted there; are you aware of any English bills of that description sent over to the Provincial Bank to be so discounted?—No, we should not have done it; I know the fact was otherwise with other banks; I have personal knowledge of the fact.

4567. Do you consider it to be a part of the duty of your managers to investigate accurately the reality of each transaction upon which a discount or a loan is made at their several branches?—As far as it is in his power, and knowing the parties, he judges of it; he is not to discount to strangers, or to persons he does not know, or of whose transactions with other parties in the bills offered he has not some knowledge.

4568. Are your instructions to them to avoid, as far as possible, advances on what may be called accommodation bills?—Very strongly.

4569. In the management of the Provincial Bank, can you state whether the directors feel it their duty to advert to the accounts published by the Bank of England, showing the amount of balance, if it is increasing or diminishing, and to the state of foreign exchanges?—Undoubtedly those are matters that are always before us, and part of that which our attention is always turned to.

4570. Should you think it possible to carry on this extensive business with prudence or with safety if you excluded all consideration of the state of foreign exchange and the state of the supplies of bullion, and the supplies of the Bank of England?—No; for the effect is visible in the commercial world generally; without helping it, our attention is turned to it.

4571. You stated, on a former occasion, there was a regular book kept by the Provincial Bank, in which the amount of bullion at each of its banks was kept, from week to week; is the attention of the directors specially called to that?—It is made up every Saturday, and lies on the directors' table every day of the week; so that they see the amount of the liabilities at every branch, and the provision that is made for it.

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RETURNS to QUESTIONS from BANKS and BANKING COMPANIES.

No. 1.—COVENTRY UNION BANKING COMPANY.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—Coventry Union Banking Company, commenced business 16th May 1836.

2.—Number and situation of branches, and distance of each from central bank?
Atherstone, 13 miles from central bank; Coleshill, 12 ditto.

3.—Amount of nominal capital?
£. 200,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares, at 20 *l.* per share.

5.—Number of shares issued?
Six thousand five hundred and forty shares issued.

6.—Amount of paid-up capital?
£. 32,700.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One call of 5 *l.* per share paid up on the 16th May 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
No dividend declared.

10.—Variations in rate of dividend, and date of such variations?
Nil.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Deed of settlement dated 16th May 1836, signed by 168 proprietors.

12.—Copy of deed of settlement, when it has been printed and published?
Will be ready for delivery in a week.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report will be laid before the proprietors until after the 16th May next. A balance of the liabilities and assets are laid before the board of directors weekly by the manager; and twice in each year the balances of all the accounts are compared with the balance sheet and the books of the Company by the board of directors, and by them audited and reported to the proprietors at the annual general meetings.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The Company do not hold any of their own shares, but have a lien upon the shares of such proprietors to whom they make advances.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes payable at Coventry, Atherstone and London; bank post-bills payable in London.

16.—At what date or sight bank post-bills are issued?
Not exceeding seven days' sight, or 21 days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Minimum, 2 per cent.; maximum, 3 ditto.

18.—Variations in such rate, and date of such variations?
Depends on the length of time the deposits rest; *see* Question 17.

19.—Date to which the account is made up?
31st December 1836 inclusive.

"For the Coventry Union Banking Company,
W. Tyler, Manager.

No. 2.—THE NORTHAMPTONSHIRE BANKING COMPANY.

— I. —
Returns from Banking Companies.

No. 2.
The Northamptonshire Banking Company.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—The Northamptonshire Banking Company; 1st June 1836.

2.—Number and situation of branches, and distance of each from central bank?
Five branches, Daventry, Wellingborough, Kettering, Harborough and Stamford, respectively 12, 10, 14, 17 and 32 miles from Northampton.

3.—Amount of nominal capital?
£. 400,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares, of 20 *l.* each.

5.—Number of shares issued?
Nine thousand seven hundred and twenty-one.

6.—Amount of paid-up capital?
£. 47,630.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call of 2 *l.* 10 *s.* per share, paid 25th May 1836, 24,177 *l.* 10 *s.* Second call, of 2 *l.* 10 *s.* per share, paid 25th August 1836, 23,452 *l.* 10 *s.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?
See No. 9.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st September 1836. Deed bears 326 signatures.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No reports or accounts laid before proprietors; the first balance will be made on 30th March next; for nature of audit, see deed, clause 86.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Seventy shares held in trust for a debt.

15.—Places at which promissory notes and bank post-bills are made payable?

16.—At what date or sight bank post-bills are issued?
Answers 15, 16.—Promissory notes payable at the places of issue, viz. the branches, Daventry, Wellingborough, Kettering, Harborough, Stamford, Northampton and at the London and Westminster Bank, London. Bills drawn on London and Westminster Bank at seven days' sight, and from 10 to 21 days' date, but no bank post-bills.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two per cent. on balances of account; 2 ½ per cent. on deposits, and 3 per cent. upon sums deposited upon special agreement.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
18th February 1837.

No. 3.—NORTHAMPTONSHIRE UNION BANK.

No. 3.
Northamptonshire Union Bank.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—Northamptonshire Union Bank; 1st July, 1836.

2.—Number and situation of branches, and distance of each from central bank?
Two branches; Daventry and Wellingborough; the former 12 miles, the latter 10 miles from central bank.

3.—Amount of nominal capital?
£. 537,500 *l.*

4.—Number of shares, and nominal value of each share?
Twenty-one thousand five hundred shares, at 25 *l.* each.

5.—Number of shares issued?
Twenty-one thousand five hundred shares issued.

6.—Amount

6.—Amount of paid-up capital?
£.107,500 *l.*, being £. 5 *l.* on the 21,500 shares.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
Deposit of 1 *l.*, paid the 6th May, amounting to 21,500 *l.*; and the call of 4 *l.* per share on the 15th September 1836, amounting to 86,000 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Nil.

10.—Variations in rate of dividend, and date of such variations?
Nil.

11.—Date of deed of settlement, and number of persons who have signed such deed?
10th August 1836; 455 persons have signed the deed.

12.—Copy of deed of settlement, when it has been printed and published?
Copy sent.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of report sent herewith laid before the directors, prepared by Messrs. John and Samuel Percival, the managers; the assets of the bank are seen and the accounts examined by two auditors appointed by the shareholders at a general meeting, who are responsible for the accuracy of the balance sheet.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds none of its own shares; but 280 are deposited as security for advances, as, except under peculiar circumstances, they object to make any advances on shares.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes are made payable at Northampton, Daventry and Wellingborough, and in London at Messrs. Denison, Heywood and Kinnaird's; post-bills are payable only in London.

16.—At what date or sight bank post-bills are issued?
At seven days' sight, and 21 days' date or under.

17.—Rate of interest paid by the bank, whether on deposits or balances of account.
On deposits, 2½ per cent; and 2 per cent. on running accounts.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
To the 31st December 1836.

No. 4.—WAKEFIELD BANKING COMPANY.

Question 1.—Name of the joint-stock bank, and date of commencing business?
Answer.—Wakefield Banking Company; commenced business 1st November 1832.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£.300,000.

4.—Number of shares, and nominal value of each share?
Six thousand shares, 50 *l.* per share.

5.—Number of shares issued?
Five thousand six hundred and fifteen shares.

6.—Amount of paid-up capital?
£.44,920.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
1st November 1832, 2 *l.* per share; 1st February 1833, 3 *l.* per share; 1st August 1833, 3 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Half yearly; 5th dividend, 30th June 1836, 4½ per cent.; 6th dividend, 31st December 1836, 5 per cent.

— I. —
Returns from Banking Companies.

No. 4.
Wakefield Banking Company.

10.—Variations in rate of dividend, and date of such variations?
Variation in rate and date as above.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st December 1832; signed by 222 shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
Printed and published in February 1833.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The last report herewith enclosed; the accounts are prepared and examined under the responsibility formerly stated.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None held in trust as security of advances, but a lien is over shares belonging to persons who are or may become indebted to the company.

15.—Places at which promissory notes and bank post-bills are made payable?
At Wakefield; and in London by Messrs. Glyn, Hallifax, Mills and Co.

16.—At what date or sight bank post-bills are issued?
At sight, not exceeding seven days' sight, or 21 days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
From 3 to 3 ½ on deposits; 2 ½ on balances of accounts.

18.—Variations in such rate, and date of such variations?
Increase of a half per cent. on the 1st October 1836.

19.—Date to which the account is made up?
The account in paper marked No. 2, is made up as on the 31st December 1836.

Wakefield, 23d February 1837. *John Neill*, Manager.

No. 5.—THE DERBY AND DERBYSHIRE BANKING COMPANY.

No. 5.
The Derby and Derbyshire Banking Company.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—The Derby and Derbyshire Banking Company; 30th January 1834.

2.—Number and situation of branches, and distance of each from central bank?
One branch at Belper, distant seven miles.

3.—Amount of nominal capital?
£. 250,000.

4.—Number of shares, and nominal value of each share?
Five thousand of 50 *l.* each.

5.—Number of shares issued?
Four thousand and ninety.

6.—Amount of paid-up capital?
£. 40,900.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One call of 10 per cent. at the commencement of business, and a second call of 10 per cent. payable on the 1st day of October 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Fifteen shares.

9.—Rate of declared dividend?
Six per cent.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
30th November 1833, and signed by 219 individuals.

12.—Copy of deed of settlement, when it has been printed and published?
Already in the hands of the Committee.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The bank's books are balanced annually on the 31st December, and the report for the past year prepared by the directors in terms of the deed of settlement, will be submitted to the proprietors on the 7th of March, after which a copy shall be immediately furnished to the Committee, if required.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None. The Company have a lien on the shares of the proprietors.

15.—Places

15.—Places at which promissory notes and bank post-bills are made payable?
Derby and London.

16.—At what date or sight bank post-bills are issued?
No post-bills issued, but drafts are drawn on London at all dates under 21 days.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?
Answers 17, 18.—Two per cent. till 1st June 1835, from that period 2 ½ per cent. has been allowed, and in some cases three per cent. on special bargain and for sums exceeding 1,000 *l.*

19.—Date to which the account is made up?
31st December 1836.

Robert Rouded, Manager.

No. 6.—LIVERPOOL COMMERCIAL BANK.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—Liverpool Commercial Bank; date of commencing business, 1st January 1833.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand shares of 10 *l.* each; no proprietor holds or can hold fewer than 10 shares, nor any fractional part of 10 shares.

5.—Number of shares issued?
Thirty-three thousand eight hundred and ninety shares, on the 31st December 1836.

6.—Amount of paid-up capital?
£. 338,900. on the 31st December 1836, exclusive of the reserved surplus fund.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
Each proprietor pays up the whole amount of his stock at once, the principle on which the bank was established being that of paid-up capital.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?
Answers 9, 10.—1833, 1st year, none; 1834, 2d year, 5 per cent.; 1835, 3d year, 3 per cent. and 3 ½ per cent.; 1836, 4th year, 8 per cent. All the premiums received on shares appropriated subsequently to the formation of the bank have been carried untouched to the reserved surplus fund, and "at each of the fair, accurate and just statements and accounts of the affairs of the Company," a surplus of net profits of business, after the payment of the dividends, besides making a full allowance on floating assets, has been carried to the reserved surplus fund.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st January 1833; number of proprietors on the 31st December 1836, 295 persons; number of persons who have executed the deed of settlement, 326.

12.—Copy of deed of settlement, when it has been printed and published?
Copy herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The three annual reports that have been issued by the directors to the proprietors, under the dates of the 5th March 1834, the 11th March 1835, and the 9th March 1836, and which were printed and distributed to the proprietors at the time of publication, are contained in the volume above referred to herewith. The general routine of business is in the discretion of the manager; the bill committee, for considering the private affairs of individuals, is a secret committee, and consists of two directors and the manager. A statement of the assets and liabilities of the bank, the amount of bills discounted, the names of accounts opened, and the general incidents of the week are read over to the whole board of directors weekly. The half-yearly balance is read over and examined in the presence of the whole board, and the ledger bears the signature of three directors then present. The report is prepared under the responsibility of the whole board of directors, by the manager, and signed officially by the chairman of the board of directors. All accounts are kept under the superintendence of the manager, by a chief accountant, who with the cashier and all other persons employed, give large securities to the bank.

— I. —
Returns from Banking Companies.

No. 6.
Liverpool Commercial Bank.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

None, except the shares yet unappropriated; but the bank has the first and paramount lien on all its own stock for the liabilities of every proprietor, whether solely or in partnership with any other persons.

15.—Places at which promissory notes and bank post-bills are made payable?

16.—At what date or sight bank post-bills are issued?

Answers 15, 16.—The Liverpool Commercial Banking Company neither issues promissory notes or bank post-bills, or bills as money, nor does it draw bills unless specially requested to do so; all its payments are made in Bank of England notes and coin.

Memorandum.—The Liverpool Commercial Banking Company has a contract with the governor and company of the Bank of England for a permanent discount account for circulation (terminating on the 1st January 1841) of the amount of 200,000 *l.*, and this account is so worked as to have a considerable amount of Bank of England notes at command weekly or daily upon it; the rate is 3 per cent. per annum.

Note.—The Liverpool Commercial Banking Company's endorsement has never been used to raise money, except in its dealings with the Bank of England, and in remittances to its bankers in London.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?

Answers 17, 18.—Up to the 30th June, deposits 2 ½ per cent. and 3 per cent.; those at the latter rate an exception, and subject to a commission of ¼ per cent. when drawn out. Balances of account 3 ½ per cent., subject to ¼ per cent. commission. From the 30th June to the 31st December 1836, 3, 3 ½, and 4 per cent. on deposits, those at the latter rate subject to a commission when drawn out; balances of account at 4 per cent. and ¼ per cent. commission.

19.—Date to which the account is made up?

The statements of accounts sent herewith are to the 30th June and 31st December 1836, being in fact copies of the balance sheet in the ledger of the bank on these respective dates.

Liverpool Commercial Bank,
25 February 1837.

James MacGregor.

Board of Directors for the year 1837-8:—Christopher Rawdon, esq. chairman; Alfred Waterhouse, esq., deputy-chairman; George Blake, esq.; Benjamin Buchanan, esq.; Robert Dudgeon, esq.; Joseph C. Ewart, esq.; Harry Gordon, esq.; William Edward Hardman, esq.; Robert Macandrew, esq.; Thomas Murray, esq.; Stanley Percival, esq., and William Smith, esq.

At the fourth annual general meeting of the Liverpool Commercial Banking Company, held in pursuance of the provisions of the deed of settlement, at the Clarendon Rooms, South John-street, Liverpool, 8th March 1837; Christopher Rawdon, esq. in the chair:

It was unanimously resolved,—That the report of the directors be received and adopted.

That Mr. Robert Dudgeon, Mr. Robert Macandrew, Mr. Thomas Murray and Mr. Stanley Percival be re-elected directors.

That the thanks of this meeting be given to the chairman and directors.

That the thanks of the proprietors be given to Mr. Macgregor, for his efficient management, which has contributed so materially to the prosperity of the bank.

REPORT.

Liverpool Commercial Bank, High-street, 8 March 1837.

This fourth annual general meeting of the Liverpool Commercial Banking Company is held in pursuance of the terms of the deed of settlement, to receive the annual report, and to elect four directors; the term in office of Mr. Robert Dudgeon, Mr. Robert Macandrew, Mr. Thomas Murray and Mr. Stanley Percival being expired.

The directors are happy to be able to make a statement of the company's affairs for the past year, indicative of its continuing prosperity. The capital has been raised to 338,900 *l.*, being an increase during the year of 94,500 *l.* The net profits from the business of the year, and the premiums received on the 9,450 shares distributed, together, amount to 112,503 *l.* 2 *s.* 11 *d.* Of this sum, 26,568 *l.* has been paid to the proprietors in two half-yearly dividends of 4 per cent. each; and the balance, 85,935 *l.* 2 *s.* 11 *d.*, has been added to the reserved surplus fund, thus augmented to 143,762 *l.* 11 *s.* 4 *d.*

The directors have had applications for a further issue of shares since the 1st of January, but they have declined increasing the capital at any price below 20 *l.* per share, at which they have sold 160 shares.

The

The directors think it well to state, explicitly, that each of the five separate dividends which they have declared, has been paid out of the net profits of the banking business accruing during the period to which the dividend related. It is also thought proper to state, that at each balance of the fair, accurate and just annual statements and accounts of the affairs of the company, taken under the authority and inspection of the directors, according to the provisions contained in the 22d clause of the deed of settlement, a surplus of net profits of business, after the payment of such dividends, and the usual deduction of interest on floating assets, making full allowance also for bad debts, has been carried to the reserved surplus fund, and that the whole amount of the premiums received on shares sold, from the establishment of the bank to the present time, has also been carried, undiminished, to that fund.

The suggestions made to the directors by some esteemed proprietors, respecting the rate of dividend, received every consideration; and had the actual profits of the bank and its encouraging prospects been alone regarded, the directors would doubtless have been warranted in raising the dividend from 3 per cent. and 3½ per cent. for the half-years of 1835, and in declaring a higher dividend than 8 per cent. for 1836; but they deemed it more conducive to the substantial prosperity of the establishment to proceed with moderation. The directors conceive, that the most serious duty which devolves upon them in the fulfilment of the trust committed to them by the proprietors, is to follow that course which appears best calculated to protect the interests of the permanent stock-holders. The view which they take is, that although a high rate of dividend might suit the purpose of speculators in shares, it would not contribute to the lasting prosperity of the company, unless the source from which the profits are derived could be honestly considered enduring also. They must beg leave also to remind the proprietors, as a further justification of the course pursued by them with respect to dividends, that the deed of settlement gives to the directors the power of retaining but one-fourth of the net annual profits of business of any one year, for the double purpose of a reserved fund of capital to meet any unforeseen emergencies, losses or extraordinary demands upon the company, and of a reserved fund of profits, to supply from time to time any deficiency which from unforeseen circumstances, may arise in the income of any year, that fluctuation may as far as possible be prevented. If this explanation be not satisfactory to any of the proprietors, the directors trust that the position of the company will be satisfactory to all; having, with a paid-up capital of 338,900*l.*, a reserved surplus fund in addition, for the purposes contemplated in the deed of settlement, and guaranteeing the perpetuity of the dividends, to the sum of 143,762*l.* 11*s.* 4*d.*

The directors think it right to express their deliberate opinion, that the returns of the business would support the present moderate dividend, even under less favourable circumstances.

At this juncture, it may be agreeable to the proprietors to know, that the liabilities of the company have been studiously kept within the most moderate compass, and that the company's endorsement, or, in other words, its collective guarantee, has been at all times charily used.

The same system of internal management with which the bank commenced continues now, the bills and private affairs of individuals being referred, in cases where such consideration is requisite, to the bill committee only. The whole board of directors meet weekly at the bank, to conduct and regulate the company's affairs. The ordinary routine of business is, of course, in the discretion of the manager.

The directors gave immediate answers to the inquiries of the Secret Committee of the House of Commons on Joint-Stock Banks, both of the last and present Session of Parliament. They cannot conceive it possible, that any new enactment of the Legislature can be so framed as to prejudice the interests of this company on its present basis. Though the smallness of shares has been animadverted upon, yet the shares of 10*l.* each in this bank, paid in full, can scarcely be included in the class of small shares, since no fewer than 10 shares, nor any fractional part of 10 shares, are held by any individual; and thus the shares might, with equal propriety, be divided into sums of 100*l.* each, paid up in full.

The negotiation with the improvement committee of the town-council about the widening of Cook-street was broken off. The directors had gone to the fullest extent of concession in which they felt justified with any regard to the interests of the proprietors, and they were unable to make the last required deduction. As the public have been informed by the newspapers, that the completion of the improvement of Cook-street was prevented in consequence of the very high price asked on the part of the bank, the directors purpose laying the papers relating to this matter in detail before the proprietors, in a separate form. Meanwhile, the property is about to be permanently and beneficially occupied, and upon a part of it the directors hope, before the next annual meeting of proprietors, to have a banking-house erected, in which the business of the company can be carried on in future.

In conclusion, the directors beg leave to express the sincere hope, that every year may bring with it an increase of public confidence and favour to the bank, and of prosperity to the shareholders.

No. 7.—HALIFAX COMMERCIAL BANKING COMPANY.

—I.—
Returns from Banking Companies.

No. 7.
Halifax Commercial Banking Company.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—The Halifax Commercial Banking Company; 1st July 1836.

2.—Number and situation of branches, and distance of each from central bank?
One branch established at Cleckheaton, seven miles from Halifax, on the 1st February 1837.

3.—Amount of nominal capital?
£.100,000.

4.—Number of shares, and nominal value of each share?
Ten thousand, of 10*l.* each.

5.—Number of shares issued?
Six thousand five hundred.

6.—Amount of paid-up capital?
£.65,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
Each proprietor's capital stock paid up at one call.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?
Answers 9, 10.—None; the bank having been established only last July. According to the deed of settlement, not more than 5*l.* per cent. can be divided the first year.

11.—Date of deed of settlement, and number of persons who have signed such deed?
25th June 1836; signed by one hundred and fifty-three.

12.—Copy of deed of settlement, when it has been printed and published?
Copy transmitted herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The books are balanced twice a year. An annual meeting of shareholders is to be held on the second Wednesday in August, when the directors are to exhibit a statement of the affairs of the company. Such meeting may appoint auditors if they think fit.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds no shares in its own right. The deed of settlement provides that the bank shall have the first and paramount lien on every proprietor's stock, for such proprietor's debts or engagements to the bank.

15.—Places at which promissory notes and bank post-bills are made payable?
Halifax or London, at the option of the holders.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?
Answers 17, 18.—Varying from 2½ to 5 per cent. per annum, according to the nature of accounts current. At present we are allowing interest at the rate of 3½ per cent. upon deposits for six months or upwards. Previously to October last we allowed only 3 per cent.

19.—Date to which the account is made up?
31st December 1836.

Halifax Commercial Bank,
24 February 1837.

William Briggs,
Managing Director.

No. 8.—SHROPSHIRE BANKING COMPANY.

No. 8.
Shropshire Banking Company.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—The Shropshire Banking Company; May 30th 1836.

2.—Number and situation of branches, and distance of each from central bank?
Consisting of four private banks merged into one joint-stock bank; viz. Shiffnal, the central bank, Biddle, Mountfored & Co., with three branches; Wellington branch, late Reynolds, Charlton & Co., seven miles from the central bank; Newport branch, late Horderns

derns & Hill, eight miles from the central bank; Colebrook-dale branch, late Darbys & Co., six miles from the central bank.

3.—Amount of nominal capital?

£. 300,000.

4.—Number of shares, and nominal value of each share?

Fifteen thousand, 20 *l.* each.

5.—Number of shares issued?

Thirteen thousand four hundred and five.

6.—Amount of paid-up capital?

£. 40,215.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

May 17th, 1836, one call of 3 *l.* per share; amount, 40,215 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

No dividend declared.

10.—Variations in rate of dividend, and date of such variations?

No dividend declared, but the annual account is intended to be made up on the 30th June, and a meeting of the share-holders is to be held the second week in July 1837, as per deed of settlement.

11.—Date of deed of settlement, and number of persons who have signed such deed?

Deed of settlement, dated May 17th, 1836, signed by 240 persons.

12.—Copy of deed of settlement, when it has been printed and published?

Copy of deed of settlement herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

No meeting of the proprietors has yet taken place (*see* No. 10), but a trial balance was made on the 30th September and on the 31st of December, with the interest calculated for and inspected by the directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

One thousand five hundred and ninety-five shares are yet reserved to be distributed to new and good customers. The Shropshire Banking Company do not hold any other shares in their own right, but have a lien on all shares belonging to proprietors who may overdraw their accounts.

15.—Places at which promissory notes and bank post-bills are made payable?

Promissory notes payable at Shiffnal, Wellington, Newport and Colebrook-dale, and at Messrs. Hanburys, Taylor & Lloyd, London; bank post-bills payable at Hanburys & Co. only.

16.—At what date or sight bank post-bills are issued?

Not exceeding seven days' sight or 21 days after date, under the Stamp Composition Act. Those on stamps, not exceeding two months' date or 60 days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

On deposits, from 2 to 3 per cent.; on balances of account, 3 per cent.; subject to a charge of commission.

18.—Variations in such rate, and date of such variations?

No variations.

19.—Date to which the account is made up?

December 31st, 1836.

1836:

March 26.—The average return of the notes in circulation, sent to the Stamp-office:

Shiffnal	£. 24,657
Wellington	10,854
Newport	8,817
Colebrook-dale	12,068
	£. 56,396

Dec. 31.—The average Return of these four banks, as the Shropshire Joint Stock Company — £. 50,503

No. 9.—LIVERPOOL BOROUGH BANK.

— I. —
Returns from Banking Companies.

No. 9.
Liverpool Borough Bank

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—The Liverpool Borough Bank; 1st day of July 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand, of 10 *l.* each.

5.—Number of shares issued?
Forty-one thousand two hundred and forty-five.

6.—Amount of paid-up capital?
£.206,225.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One pound per share, 14 May 1836; 4 *l.* per share, 21 June 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
One of 5 per cent., being at the rate of 10 per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?
Answered by Nos. 9 and 1.

11.—Date of deed of settlement, and number of persons who have signed such deed?
21st day of June 1836; 391.

12.—Copy of deed of settlement, when it has been printed and published?
The first copy received from the printer will be sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The meetings of proprietors to receive reports being annual only, no report has yet been made. The rest of the question answered by clause 58 of the deed.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None, except that all liabilities of proprietors to the Company are, by the terms of the deed (*see* clause 10,) made the first and paramount lien on such proprietors' shares.

15.—Places at which promissory notes and bank post-bills are made payable?
None.

16.—At what date or sight bank post-bills are issued?
None.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits 2 ½ and 3 per cent. per annum; on accounts current, 4 and 5 per cent. charging commission.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
31st December 1836, inclusive.

Samuel Hope,
Chairman of Directors.

Liverpool, 25 February 1837.

No. 10. LIVERPOOL TRADESMEN'S BANK.

No. 10.
Liverpool Tradesmen's Bank.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—The Liverpool Tradesmen's Bank; commenced business 4 April 1836.

2.—Number and situation of branches, and distance of each from the central bank?
No branches.

3.—Amount of nominal capital?
£.250,000, with power to the directors to increase the amount to £.400,000.

4.—Number of shares, and nominal value of each share?
25,000 shares of 10 *l.* each, with power to increase such number to 40,000 shares.

5.—Number

5.—Number of shares issued?
18,875 shares issued.

6.—Amount of paid-up capital?
£. 94,375.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
£.2 10*s.* on 4 April 1836; £. 2 10*s.* on 1 August 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Ten shares forfeited for non-payment of second instalment.

9.—Rate of declared dividend?
Seven and a half per cent. on paid-up capital, from date of each call respectively.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
4th April 1836; signed by 651 proprietors: present number of proprietors 465.

12.—Copy of deed of settlement, when it has been printed and published?
Deed of settlement printed in June, and copy forwarded to the Chancellor of the Exchequer, 4th July 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of the report intended to be submitted to the first general annual meeting of proprietors, 1st March next, sent herewith. (B.)

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post-bills are made payable?
Bank post-bills made payable in London. Do not issue promissory notes.

16.—At what date or sight bank post-bills are issued?
Seven days after sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
From 3 to 5 per cent.

18.—Variations in such rate, and date of such variations?
Rate of interest increased since July 1836.

19.—Date to which the account is made up?
30th June and 31st December of each year.

Liverpool, 25 February 1837. *H. Mackay*, Manager.

No. 11.—EAST OF ENGLAND BANK.

Question 1.—Name of the joint-stock bank, and date of commencing business?
Answer.—East of England Bank; 29th February 1836.

2.—Number and situation of branches, and distance of each from central bank?
Great Yarmouth, 21 miles, with five sub-agencies; Ipswich, 43 miles, with four sub-agencies; Bury, 42 miles, with three sub-agencies; Swaffham, 27 miles, with one sub-agency; and eight agencies connected with central office.

3.—Amount of nominal capital?
One million sterling, with power to increase the same.

4.—Number of shares, and nominal value of each share?
Fifty thousand shares, of 20 *l.* each.

5.—Number of shares issued?
Sixteen thousand three hundred and twenty-one.

6.—Amount of paid-up capital?
£. 156,322. 10*s.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

	£.	*s.*	*d.*
1st call of 2 *l.* 10 *s.* per share, due 22nd January 1836, amount paid up -	40,802	10	–
2nd - - 2 *l.* 10 *s.* - ditto - 21st March — - -	40,670	–	–
3rd - - 2 *l.* 10 *s.* - ditto - 10th Sept. — - - -	40,215	–	–
4th - - 2 *l.* 10 *s.* - ditto - 12th Dec. — - - -	34,635	–	–
	£. 156,322	10	–

— I. —
Returns from Banking Companies.

No. 11.
East of England Bank.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

Nil.

9.—Rate of declared dividend?

Nil.

10.—Variations in rate of dividend, and date of such variations?

Nil.

11.—Date of deed of settlement, and number of persons who have signed such deed?

12th May 1836; 669.

12.—Copy of deed of settlement, when it has been printed and published?

Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Nil. Reports and accounts are to be prepared under the responsibility of the general board of directors, and submitted annually to general meetings of proprietors to be held in Norwich on the first Wednesday in June, and which meetings are empowered to appoint auditors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The company has a lien upon all its shares, but does not make advances except for useful business, and never on the security of shares.

15.—Places at which promissory notes and bank post-bills are made payable?

Promissory notes are made payable at Norwich, Ipswich, Great Yarmouth and Bury St. Edmunds, and all of them at the London agents.

16.—At what date or sight bank post-bills are issued?

Bank post-bills not used.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Two per cent. per annum on deposits and balances of accounts.

18.—Variations in such rate, and date of such variations?

Nil.

19.—Date to which the account is made up?

18th February 1837.

W. Cargill, General Manager.

No. 12.—BANK OF LIVERPOOL.

No. 12.
Bank of Liverpool.

Question 1.—NAME of the joint-stock bank, and date of commencing business?

Answer.—Bank of Liverpool; 13 May 1831.

2.—Number and situation of branches, and distance of each from central bank?

No branches.

3.—Amount of nominal capital?

£.5,000,000.

4.—Number of shares, and nominal value of each share?

Fifty thousand shares of 100*l.* each.

5.—Number of shares issued?

Thirty-eight thousand and seventeen shares issued.

6.—Amount of paid-up capital?

£.380,170 capital paid up.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

£.5 per share on the opening of the bank; 5*l.* per share on the 29th August 1831.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

At the rate of 12 per cent. per annum, for the half year ending 31st December 1836.

10.—Variations in rate of dividend, and date of such variations?

First year, to 30 June 1832, no dividend.
Half ditto, to 31 December, at the rate of 6 per cent. per annum.

Ditto	to 30 June 1833	ditto		ditto	
Ditto	to 31 Dec. 1833	ditto		ditto	
Ditto	to 30 June 1834	ditto		ditto	
Ditto	to 31 Dec. 1834	ditto		ditto	
Ditto	to 30 June 1835	7		ditto	
Ditto	to 31 Dec. 1835	8		ditto	
Ditto	to 30 June 1836	10		ditto	
	And a bonus of	2½			
Ditto	to 31 Dec. 1836	12		ditto	

11.—Date

No. 12. Bank of Liverpool.

11.—Date of deed of settlement, and number of persons who have signed such deed?

Deed of settlement, dated 25 August 1831; signed by 750 proprietors.

12.—Copy of deed of settlement, when it has been printed and published?

Copy of deed sent 28 May 1836.

Note.—The capital stated in the deed is £. 2,500,000.

By a supplementary deed, dated 10 April 1835, the capital was increased to £. 3,000,000; and by a second supplementary deed, dated 18 April 1836, the capital was further increased to £. 5,000,000.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copy of the last report to the proprietors, dated 13 September 1836, sent herewith.

This and other previous reports are the only statements of the affairs of the bank submitted to the proprietors. They are drawn up by the manager from the accountant's balance sheet, which has undergone his examination; and, being approved by the managing directors, are laid before the Board for their sanction, and signed by the chairman.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

None.

Note.—By the 9th article of the deed of settlement, "the bank has the first and paramount lien on all the shares and stock of any proprietor who may be indebted to the bank, whether on his own account, or jointly, or in partnership with any other person, such lien being wholly discharged upon the transfer of such shares or stock." And by the 24th article it is provided, "That no proprietor in this company shall be entitled to demand or insist upon a cash credit to any amount whatever; but the same may be given, or wholly withheld, at the discretion of the directors.

15.—Places at which promissory notes and bank post-bills are made payable?

The Bank of Liverpool issues no promissory notes or bank post-bills.

16.—At what date or sight bank post-bills are issued?

See answer to the last query.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

The bank allows 3 ½ per cent. on deposits from 30 June last, and keeps the accounts of its customers at 5 per cent. interest, give and take, charging ¼ per cent. commission on the debit side.

18.—Variations in such rate, and date of such variations?

Previous to 30 June 1836, the interest on deposits was 2 ½ per cent., and customers' accounts were kept at 3 ½ per cent., give and take, with some few exceptions arising from the nature of the accounts.

19.—Date to which the account is made up?

To the 31 December 1836.

25 February 1837. *J. Langton*, Manager.

No. 13.—SOMERSETSHIRE BANK.

No. 13. Somersetshire Bank.

Question 1.—NAME of the joint-stock bank, and date of commencing business?

Answer.—Stuckey's Banking Company (Somersetshire Bank); in 1826, immediately after the Act 7 Geo. 4, cap. 46, passed.

2.—Number and situation of branches, and distance of each from central bank?

Nineteen; all in Somersetshire (Bristol included), and none exceeding forty miles from the central bank; increased in consequence of the interference of the National Provincial and others.

3.—Amount of nominal capital?

Original 200,000 *l.*; additional, 100,000 *l.* *Vide* the deed.

4.—Number of shares, and nominal value of each share?

Two thousand original, and one thousand increased, 100 *l.* per share.

5.—Number of shares issued?

Two thousand nine hundred and twenty-one.

6.—Amount of paid-up capital?

About 65,000 *l.* exclusive of the reserve fund.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

No call beyond the original. *See* the Explanation annexed to former returns.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

— I. —
Returns from Banking Companies.

No. 13.
Somersetshire Bank.

9.—Rate of declared dividend?
£. 2 per share half yearly.

10.—Variations in rate of dividend, and date of such variations?
None for the last five half years.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st September 1831; persons 39.

12.—Copy of deed of settlement, when it has been printed and published?
Sent with the former statements.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The accounts, according to the form sent (No. 2), are enclosed for the last half year, the preceding half year being very similar in substance. The accounts are made out at the branches respectively, under the view of the manager or director of the branch, and the whole is examined by the chairman and the accountant-general at the head office.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post-bills are made payable?
At the places where issued in Somersetshire, and at Messrs. Robarts, Curtis & Co., London.

16.—At what date or sight bank post-bills are issued?
Generally at eleven days after date; but none exceeding twenty-one days after date or seven days after sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits from 2 to 3 per cent., but no interest on drawing accounts. *Vide* Explanation.

18.—Variations in such rate, and date of such variations?
No variation of importance.

19.—Date to which the account is made up?
31st December 1836.

No. 14.—WOLVERHAMPTON AND STAFFORDSHIRE BANKING COMPANY.

No. 14.
Wolverhampton and Staffordshire Banking Company.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—Wolverhampton and Staffordshire Joint-Stock Banking Company; 2d January 1832.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares; 50 *l.* each.

5.—Number of shares issued?
All issued.

6.—Amount of paid-up capital?
£. 50,000, and guarantee fund 19,435 *l.* 7 *s.* 2 *d.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
£. 5 at one call, 2d January 1832; 50,000 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
The first yearly dividend for 1832, 5 *l.* per cent.; yearly dividends for 1833, 1834, 1835 and 1836, 6 *l.* per cent.

10.—Variations in rate of dividend, and date of such variations?
£. 5 per cent. for the year ending 31 December 1832; 6 per cent. per annum for the years 1833, 1834, 1835 and 1836.

11.—Date of deed of settlement, and number of persons who have signed such deed?
9th December 1831; signed by 290 persons, of whom 239 are now shareholders, the remainder having died or sold out since the commencement.

12.—Copy of deed of settlement, when it has been printed and published?
Copy of deed of settlement sent herewith.

13.—Copies

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copy of the last report sent herewith. These reports are prepared and examined by the board of directors, and are submitted by them to the proprietors at the general annual meeting held on first Monday in February, and by clause 31 of deed of settlement the accounts may be examined by two auditors appointed by the general meeting.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The banking company holds no shares in its own right, but by clause 66 in the deed of settlement, the shares of all proprietors are liable for any amount they may owe the company in their current accounts.

15.—Places at which promissory notes and bank post-bills are made payable?

Reissuable notes payable at Wolverhampton and at Messrs. Williams, Deacon & Co., London, only.

16.—At what date or sight bank post-bills are issued?

At all dates allowed by law, viz. not exceeding seven days' sight or 21 days' date, under the Stamp Composition Act, and on stamps at not exceeding two months' date or 60 days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account.

Not exceeding three per cent.

18.—Variations in such rate, and date of such variations?

No variation.

19.—Date to which the account is made up?

31st December 1836.

No. 15.—DUDLEY AND WEST BROMWICH BANK.

Question 1.—Name of the joint-stock bank, and date of commencing business?

Answer.—Dudley and West Bromwich Bank; 1st January 1834.

2.—Number and situation of branches, and distance of each from central bank?

Business confined to Dudley and West Bromwich; West Bromwich is within four miles from Dudley. No branches.

3.—Amount of nominal capital?

£.400,000.

4.—Number of shares, and nominal value of each share?

Eight thousand, of 50 *l.* each.

5.—Number of shares issued?

Six thousand four hundred and sixty-five.

6.—Amount of paid-up capital?

£.32,325.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

One call of 5 *l.* per share, made 1st January 1834.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

Five per cent. and 6 per cent.

10.—Variations in rate of dividend, and date of such variations?

Five per cent. dividend the first year, 6 per cent. dividend the second year, 6 per cent. (being one-third of the profits) the third year.

11.—Date of deed of settlement, and number of persons who have signed such deed?

30th December 1833; 218 persons have signed.

12.—Copy of deed of settlement, when it has been printed and published?

Printed 30th December 1833, and delivered to the shareholders; copy sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copy of last report sent herewith. Summary of account made up on the responsibility of the manager and cashier, and are submitted to and audited by the directors at a special meeting. Proprietors at a general meeting are fully empowered, by clause 31 in deed of settlement, to appoint two shareholders to examine the accounts, and to direct the production to such auditors of all books, writings and documents necessary for such investigation of the accounts and of the affairs of the company.

 14.—Statement

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

There are 1,535 shares undisposed of. The bank has a lien on all shares for any advance or liability of customers; but the occasional advances which are made to customers when required, arise out of, and bear relation to, the nature of each respective account. The bank does not advance upon shares.

15.—Places at which promissory notes and bank post-bills are made payable?

Promissory notes payable at Dudley and West Bromwich, and at Williams, Deacon & Co., London; post-bills payable only in London.

16.—At what date or sight bank post-bills are issued?

At various dates, not exceeding 21 days' date, and seven days' sight, agreeable to Act of Parliament.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Two, 2 ½, 3 and 3 ½ per cent. are paid on general deposits and balances, and varying according to circumstances, and the time and amount of such deposits; on some balances no interest is allowed.

18.—Variations in such rate, and date of such variations?

Answer to Question 17 will apply to this. The rate in some cases latterly increased, but not generally, and at no precise period.

19.—Date to which the account is made up?

31st December 1836.

The Chairman or the Committee having expressed a wish to receive any explanation, although not coming within the precise terms of the above inquiries, the directors beg to call the attention of the Committee to the annexed statement (A).

C. H. Molyneux, Manager.

(A.)

The Directors of the Dudley and West Bromwich Banking Company are desirous that the following statements and observations, in reference to their establishment, should come under the notice and consideration of the Committee of the House of Commons, during its present inquiry into the system and conduct of joint-stock banks.

The panic of 1825–26 having been attributed to the speculation occasioned by the issues of country bankers, the Legislature decided on the suppression of the one-pound notes, and recommended the adoption of the Scotch mode of banking.

Simultaneous regulations were also made in regard to the co-partnerships of bankers in England, with the concurrence of the Bank of England, who consented to relinquish their exclusive privileges, by which, at a given distance from London, a greater number than six persons were allowed to become copartners, as bankers, so that joint-stock banks might be legalized, as being calculated to afford security to the public on a firmer basis than private banks.

Being thus authorised, attempts were made in 1833, one by the National Provincial Bank of England, and the other by a number of anxious individuals, for the establishment of two joint-stock banks in the town of Dudley; and it was solely in consequence of such attempts that the present Dudley and West Bromwich Banking Company was formed, by the association of respectable parties resident in and closely connected with these places (many of them being men of great wealth and local influence), on the foundation of the private bank of Messrs. Hordern, Molineux & Co., which had been successfully carried on for a period of 27 years; and thus, the other two projects, which would have created an incautious competition, and led to other bad results, were prevented.

The present company have no branches, but content themselves with a bank at Dudley and a bank at West Bromwich; and as the business of their establishment is confined to a district of four miles, it is virtually a private bank, with the security of above 200 partners.

The circulation of this concern, which was 33,880 *l.* on the 4th day of February instant, has varied from 30,000 *l.* to 40,000 *l.*, being little more than the circulation of the old private establishment, considering the increase of accounts, and the advance of prices and labour, which obviously tend to enhance the amount.

About one half, or at least a third of the circulation, has been generally invested in the funds; and about one-third has consisted of gold, bank paper and promiscuous bank notes.

At the present period the capital exceeds the circulation, which is about 33,900 *l.*, the capital upwards of 40,000 *l.*

This company did not re-discount a single bill in 1836, and have no bills under discount at the present time.

At this time (28th February) the cash account of the company is not overdrawn in London, though occasionally it has been so, but not to a large amount, on security of short bills, and they have the money in the Funds, and their amount of bills in hand and in London free and unadvanced upon.

The

The directors of this company at once admit that their capital is small in regard to the extent of their business, and should more be required they will not hesitate to have a further call of 5 *l.* per share, to be invested in the Funds; but they protest against the adoption of any measures for compelling their shareholders to pay up a greater proportion of capital than is requisite, as such a step would inevitably encourage reckless speculation, and promote bad business.

With respect to the publication of assets and liabilities, there is no objection by the directors of this company to such a course, provided private bankers are placed on the same footing, since it is obvious that the latter require more control than joint-stock banks; in proof of which it may be mentioned, that a private bank which lately failed at Carlisle had encountered a loss of about 40,000 *l.* by speculating in foreign funds; such an employment of capital being strictly prohibited by the deed of settlement of this, and many other joint-stock banking companies.

It should be borne in mind that the apparent increase in the circulation of joint-stock banks, as published, in comparison with that of private banks, is to be accounted for by the latter having in many places been superseded by the former, of which this company affords an example, so that the private bank circulation ought in fact to have materially decreased instead of remaining at about the same amount.

In addition to the above remarks, the directors of this company venture to express an opinion, founded on their own experience, that joint-stock banks, if confined to a town, or particular locality, and placed under judicious management, must be advantageous to the public, and profitable to the proprietors; at the same time, they deprecate the system of branches and agencies, extending over incontrollable districts, at a distance from a parent or central establishment, the proprietors being unknown to the public, and the customers being strangers to the agents. In short, they consider that no joint-stock bank should be allowed, until it receive some authorized sanction, deciding the necessity for the undertaking, and its utility to the community to be affected by its operations, which should be so regulated as to prevent the mischief to which it has been thought right to allude.

Dudley,
28 February 1837.

Thoˢ Badger,
Edwᵈ Creswell,
Willᵐ Whitehouse,
John Robinson,
Jos. Haden,
John Williams.
} Directors.

C. H. Molineux, Manager.

16.—WILTS AND DORSET BANKING COMPANY.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—Wilts and Dorset Banking Company. Refer to last return.

2.—Number and situation of branches, and distance of each from central bank?
Refer to last return, since which the branch at Swindon has been withdrawn and three others have been established, viz.

Mere	-	-	22 miles from central bank.
Gillingham	-	-	24 - ditto - ditto.
Axminster	-	-	66 - ditto - ditto.

3.—Amount of nominal capital?
Refer to last return.

4.—Number of shares, and nominal value of each share?
Refer to last return.

5.—Number of shares issued?
Six hundred and thirty-three shares allotted since last return.

6.—Amount of paid-up capital?
£.63,105.; will be 77,445 *l.* when the calls due on the allotted shares are paid up, besides which another call will be made, making the capital nearly 100,000 *l.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

27 November 1835 - - - - -	£. 22,190
26 January 1836 - - - - - -	21,615
1 September 1836 - - - - -	19,300
	£. 63,105

8.—Number of shares (if any) which may have been forfeited for non payment of instalments?
In the former return 255 shares were stated to have been forfeited; it ought to have been explained that the cause of forfeiture was not the non-tender of the calls, but because the parties lived in Liverpool and elsewhere, at a distance, and it was thought desirable to get rid of such shareholders, whose object was considered to be speculative.

9.—Rate of declared dividend?
No dividend for the first half year; 2 ½ per cent. for the second half year.

— I. —
Returns from Banking Companies.

No. 16.
Wilts and Dorset Banking Company.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Refer to the last return; 415 shareholders have signed the deed.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Two half yearly reports and one balance sheet, as exhibited to the shareholders, sent herewith. The reports are written by the general manager from data furnished by the various departments; they are then examined, amended and passed by the directors assembled. The balance sheet is the joint production of 41 individuals, and is proved by the final balancing of the same; portions of it are also sworn to in the returns of circulation to the Stamp-office; it is signed and vouched for as being correct, by the chief accountant, and then strictly examined by the general manager, afterwards by a committee of directors, and finally by the board assembled. The shareholders have power to appoint auditors, who are invested with extraordinary powers, as per clause 85 in the deed.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Refer to last return.

15.—Places at which promissory notes and bank post-bills are made payable?
Refer to last return; also at Messrs. Williams, Deacon & Co.

16. At what date or sight bank post-bills are issued?
Refer to last return.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two per cent. on balances of account; 3 per cent. on deposits.

18. Variations in such rate, and date of such variations?
Interest on deposits varied from 2 ½ per cent. to 3 per. cent., on 1 November 1836.

19.—Date to which the account is made up?
31 December 1836.

W. G. Wilson, General Manager.

No. 17.—BILSTON DISTRICT BANKING COMPANY.

No. 17.
Bilston District Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Bilston District Banking Company; commenced business 5 Sept. 1836.

2.—Number and situation of branches, and distance of each from central bank?
No branch has been established.

3.—Amount of nominal capital?
£. 200,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares at 10 *l.* each.

5.—Number of shares issued?
Five thousand four hundred and seventy-five.

6.—Amount of paid-up capital?
£. 27,375.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
A deposit of 2 *l.* per share paid the 18th July 1836, and an additional 3 *l.* per share on the 22d August 1836, completing the first call of 5 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
No dividend has yet been declared, the bank having recently commenced.

10.—Variations in rate of dividend, and date of such variations?
Vide No. 9.

11.—Date of deed of settlement, and number of persons who have signed such deed?
July 18, 1836; 135 persons have signed the deed.

12.—Copy of deed of settlement, when it has been printed and published?
A copy is sent herewith. It was printed immediately on the opening of the bank.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No general meeting of the proprietors having been held, there has been no report made.

14.—Statement

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

No shares are held by the bank in its own right, nor in trust, as security for advances; but by clause 56 the bank has a lien on shares for all the liabilities that may be contracted by the proprietors.

15.—Places at which promissory notes and bank post-bills are made payable?

No. 17. Bilston District Banking Company.

The promissory notes are payable on demand at Bilston, and at Messrs. Glyn, Hallifax, Mills & Co. The post-bills at Glyn & Co. only.

16.—At what date or sight bank post-bills are issued?

At any date not exceeding 21 days.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

No deposit on the 31st December 1836.

18.—Variations in such rate, and date of such variations?

Vide No. 17.

19.—Date to which the account is made up?

31st December 1836, the end of the first quarter.

No. 18.—UNION BANK OF MANCHESTER.

No. 18. Union Bank of Manchester.

Question 1.—NAME of the joint-stock bank, and date of commencing business?

Answer.—The Union Bank of Manchester; 23rd May 1836.

2.—Number and situation of branches, and distance of each from central bank?

None.

3.—Amount of nominal capital?

4.—Number of shares, and nominal value of each share?

Answers 3, 4.—The prospectus for the formation of this company originally contemplated the number of shares to be 24,000, of the nominal value of 25 *l.* each; but during the preparation and previous to the final adoption of the deed of settlement by the proprietors, the number of shares was increased to 100,000, of the nominal value of 25 *l.* each. The reason for so doing arose from the fact that several of the joint-stock banks in this town from experience found it expedient for their respective interests to increase the number of their shares.

5.—Number of shares issued?

Twenty-one thousand six hundred and seventy-five to 31st December; since 31st December 400 shares issued.

6.—Amount of paid up capital?

£. 155,425.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

May 7th 1836	1st call of 2 *l.* 10 *s.* - - - -	£. 54,412 10
September 8th	2nd do. 2 *l.* 10 *s.* - - - -	53,887 10
December 15th	3rd do. 2 *l.* 10 *s.* - - - -	47,125 –
		£. 155,425 –

4th call, amounting to 55,412 *l.* 10 *s.*, due 28th March.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

None.

10.—Variations in rate of dividend, and date of such variations.

None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

5th September 1836; signed by 595.

12.—Copy of deed of settlement, when it has been printed and published?

September 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

No report has been made to the proprietors, as the business of the bank has not been in operation more than nine months. Clauses No. 19 to 21 inclusive in the deed of settlement sent herewith show the mode described for the preparation and publication of the accounts.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank holds no shares in its own right. Three hundred and fifty shares are held as security for the balance of an overdrawn account. The bank never advances upon shares.

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15.—Places at which promissory notes and bank post-bills are made payable?
None issued.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

No. 18. Union Bank of Manchester.

Deposits 3 ½ per cent; current accounts 4 per cent.

18.—Variations in such rate, and date of such variations?
To 30th September 1836; deposits 2 ½ per cent., current accounts 3 per cent.

19.—Date to which the account is made up?
31st December 1836.

By order of the Board of Directors,
George Smith, Sub-Manager.

No. 19.—LEEDS BANKING COMPANY.

No. 19. Leeds Banking Company.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—The Leeds Banking Company; 10th December 1832.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£.1,000,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares of 100 *l.* each.

5.—Number of shares issued?
Eight thousand and thirty.

6.—Amount of paid-up capital?
£.120,450.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
10th December 1832, 1st April 1833, and 1st August 1835, being three calls of 5 *l.* each.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
About 20 shares.

9.—Rate of declared dividend?
Seven-and-a-half per cent. was paid for year ending 31st December 1834; 8 per cent. was paid for year ending 31st December 1835; 8 per cent. was paid for year ending 31st December 1836.

10.—Variations in rate of dividend, and date of such variations?
Half per cent. increase in 1835.

11.—Date of deed of settlement, and number of persons who have signed such deed?
19th November 1832; 561 signatures to the deed.

12.—Copy of deed of settlement, when it has been printed and published?
A copy was sent in May last; the only alteration is, that power is given to increase the "reserved surplus fund" from 15,000 *l.* to 30,000 *l.*

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Herewith sent. Prepared by the manager, and submitted to the examination of the directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank has purchased (within the last year) 65 of its own shares, with the premiums received for original shares sold. The bank has a general lien on the stock of the shareholders for obligations existing.

15.—Places at which promissory notes and bank post bills are made payable?
The promissory notes of the Company are payable at Leeds and London; the bank post bills are drawn in London.

16.—At what date or sight bank post bills are issued?
At any date not exceeding seven days after sight, or 21 days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits 3 per cent., except for one or two large sums at 3 ½ per cent.; on balances, 2 ½ per cent.

18.—Variations in such rate, and date of such variations?
The alteration from 2 and 2 ½ per cent. took place the 1st of October last.

19.—Date to which the account is made up?
The 31st December 1836.

No. 20.—WHITEHAVEN JOINT STOCK BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Whitehaven Joint Stock Bank; commenced 1st June 1829.

2.—Number and situation of branches, and distance of each from central bank?
One branch at Penrith, distant 44 miles.

3.—Amount of nominal capital?
£. 300,000.

4.—Number of shares, and nominal value of each share?
Three thousand at 100 *l.* each.

5.—Number of shares issued?
Two thousand eight hundred and five.

6.—Amount of paid-up capital?
£. 28,050; 14,025 *l.* a further call made, in course of payment.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
20th April 1829, 10 *l.* per cent.; and on the 10th February 1837, another call of 5 *l.* per cent.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Two dividends at 8 *l.* per cent.; three at 10 *l.* per cent.; and one at 14 *l.* per cent.

10.—Variations in rate of dividend, and date of such variations?
1831; August 1st, 10 *l.* per cent.; viz. 7 ½ per cent. amongst the shareholders, and 2 ½ per cent. applied to the surplus fund.
1832; August 1st, 10 *l.* per cent. - - ditto - - ditto - - ditto.
1833; August 1st, 8 *l.* per cent. ditto; viz. 6 per cent. ditto, and 2 per cent. ditto.
1834; August 1st, 8 *l.* per cent. ditto; viz. 6 per cent. ditto, and 2 - ditto - ditto.
1835; August 1st, 10 *l.* per cent. ditto; 7½ per cent. ditto, and 2½ per cent. ditto.
1836; August 1st, 14 *l.* per cent. ditto; 10½ per cent. ditto, and 3½ per cent. ditto.

11.—Date of deed of settlement, and number of persons who have signed such deed?
15th April 1829; number signed, 238.

12.—Copy of deed of settlement, when it has been printed and published?
Sent with last return.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy sent herewith.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Fifty-five shares in its own right.

15.—Places at which promissory notes and bank post bills are made payable?
Whitehaven.

16.—At what date or sight bank post bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent. has been allowed from the establishment of the bank until 31st December 1836, and since that period 3 per cent. is allowed.

18.—Variations in such rate, and date of such variations?

19.—Date to which the account is made up?
31st December 1836.

In consequence of the Bank of England not discounting any bills endorsed by this bank, the Company are obliged to keep a larger amount of cash on hand than they otherwise would do.

No. 21.—COVENTRY AND WARWICKSHIRE BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Coventry and Warwickshire Banking Company; commenced 1st January 1836.

2.—Number and situation of branches, and distance of each from central bank?
An agent at Nuneaton, eight miles from central bank.

3.—Amount of nominal capital?
£. 400,000.

 4.—Number

No. 21.
Coventry and Warwickshire Banking Company.

4.—Number of shares, and nominal value of each share?
Eight thousand, at 50 *l.* each.

5.—Number of shares issued?
Seven thousand three hundred and ninety-five.

6.—Amount of paid-up capital?
£. 43,490.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call of 5 *l.* per share, made 1st January 1836; second call of 3 *l.* per share, made 1st March 1837; the latter paid up in part only.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Ten.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?
Answer 9, 10.—No dividend yet declared.

11.—Date of deed of settlement, and number of persons who have signed such deed?
28th December 1835; 251 signatures to such deed.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet printed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report has yet been made, the first annual meeting being fixed for 14th March 1837.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Two hundred and thirty shares held as security for advances, and 605 ditto in its own right.

15.—Places at which promissory notes and bank post bills are made payable?
At Messrs. Jones, Loyd & Co., bankers, London.

16.—At what date or sight bank post bills are issued?
None yet issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?
Answer 17, 18.—Two-and-a-half per cent. on balances of accounts, and 2 ½ and 3 per cent. on deposits.

19.—Date to which the account is made up?
28th February 1837.

No. 22.—SOUTHERN BANK OF IRELAND.

No. 22.
Southern Bank of Ireland.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Southern Bank of Ireland; not yet transacting general business.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£. 500,000, with power of extension to 1,000,000 *l.*

4.—Number of shares, and nominal value of each share?
Twenty thousand shares of 25 *l.* each.

5.—Number of shares issued?
Ten thousand shares.

6.—Amount of paid-up capital?
First instalment, in course of being paid, will amount to 50,000 *l.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First instalment, 5 *l.* per share, to be paid up in 12 months, and remainder at option of directors.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date

11.—Date of deed of settlement, and number of persons who have signed such deed?
Deed in course of preparation.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet printed.

No. 22.
Southern Bank of Ireland.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Nothing of the kind has yet, of course, been in existence.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
It holds none in any of the ways mentioned.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes payable at Cork. No bank post bills yet issued.

16.—At what date or sight bank post bills are issued?
See No. 15.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Rate will vary with the state of the market.

18.—Variations in such rate, and date of such variations?
See No. 17.

19.—Date to which the account is made up?
No accounts yet made up.

For Southern Bank of Ireland,
Cork, 27 February 1837. *W. Bennet*, Manager.

23.—BANK OF WESTMORLAND.

No. 23.
Bank of Westmorland.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Bank of Westmorland; established 1st July 1833.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£. 250,000; say 250,000 *l.*

4.—Number of shares, and nominal value of each share?
Two thousand five hundred shares of 100 *l.* each.

5.—Number of shares issued?
Two thousand one hundred and twenty-five on the 30th June 1836, and 2,145 on the 31st December 1836.

6.—Amount of paid-up capital?
£. 21,250 on the 30th June 1836, and 21,450 *l.* on the 31st December 1836. Banks of this description (small banks of deposit), not situated in a trading district, require very little capital.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

3 *l.* per share, 1st May 1833	£. 5,655
3 *l.* - ditto - 1st July 1833	5,655
4 *l.* - ditto - 1st Oct. 1834	9,640
	20,950
10 *l.* per share on 50 shares, since appropriated	500
	£. 21,450

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Not any shares forfeited.

9.—Rate of declared dividend?
The profits of the first year placed to the guarantee fund; 12 *s.* per share declared for the year ending June 1835, and 16 *s.* per share for the year ending June 1836.

10.—Variations in rate of dividend, and date of such variations?
See No. 9.

11.—Date of deed of settlement, and number of persons who have signed such deed.
Dated 25 April 1834; signed by 164 proprietors, principally in the county of Westmorland, well known to each other and the public, to be worth not less than from two to three

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millions of money, which renders a large paid-up capital, when not wanted for the purposes of the bank, as in the present instance, quite unnecessary, inasmuch as the public look more to the wealth of the proprietary than to a paid-up capital.

12.—Copy of deed of settlement, when it has been printed and published?
See deed of constitution sent herewith.

No. 23. Bank of Westmorland.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Profits from 30th June 1835 to the 30th June 1836, amounted to 2,229 *l.* 6 *s.* 8 *d.*, out of which 1,700 *l.* was divided, and the rest placed to the guarantee fund. The annual report is prepared by the manager, and submitted to the directors for their inspection and approval, agreeably with clauses 26 and 27 of the deed of constitution.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Not any shares held as security for advances; 375 shares unappropriated on the 30th June 1836; 20 shares since appropriated.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes payable at Kendal only.

16.—At what date or sight bank post bills are issued?
Do not issue bank post bills.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half and 3 per cent.

18.—Variations in such rate, and date of such variations?
Increased from 2 and 2 ½ to 2 ½ and 3 per cent. on the 1st January 1836.

19.—Date to which the account is made up?
To the 30th June 1836, and in part to the 31st December 1836.

No. 24.—MOORE AND ROBINSON'S NOTTINGHAMSHIRE BANKING COMPANY.

No. 24. Moore and Robinson's Nottinghamshire Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Moore and Robinson's Nottinghamshire Banking Company; 10th October 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 300,000.

4.—Number of shares, and nominal value of each share?
Thirty thousand shares; 10 *l.* each.

5.—Number of shares issued?
Seventeen thousand and ninety-four.

6.—Amount of paid-up capital?
£. 51,282.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
10th October 1836; 51,282 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?
Answer 9, 10.—None yet made.

11.—Date of deed of settlement, and number of persons who have signed such deed?
10th October 1836; 145 persons have signed.

12.— Copy of deed of settlement, when it has been printed and published?
Copy of deed sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
None yet made.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Twelve thousand nine hundred and six not yet issued.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes are payable at Nottingham and in London.

16.—At

16.—At what date or sight bank post bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
25th February 1837.

No. 25.—THE HAMPSHIRE BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Hampshire Banking Company; 1st May 1834.

2.—Number and situation of branches, and distance of each from central bank?
Two; viz. Romsey, 7 miles, and Fareham, 12 miles, with an agency at Stockbridge, which is to be discontinued on the 1st of May next.

3.—Amount of nominal capital?
£. 300,000.

4.—Number of shares, and nominal value of each share?
Six thousand shares, of 50 *l.* each.

5.—Number of shares issued?
Five thousand five hundred and twenty-six to 31st December 1836, since which a further allotment of 163 shares has been made to respectable persons, making the total number of shares issued 5,689.

6.—Amount of paid-up capital?
£. 28,445 to 1st March 1837.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
On the 1st May 1834, 5 *l.* per share, and a further call of 2 *l.* 10 *s.* has been ordered to be paid on the 1st May 1837. These calls, with the guarantee fund, will, in the opinion of the directors, after an experience of three years of the wants of the district, be found to be amply sufficient for carrying on the business of the Company; and the directors think that a further amount of paid-up capital could not be legitimately and profitably employed so as to insure a fair return to the shareholders.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
£. 7. 10 *s.* per cent. for the year ending 30th June 1835, and 6 *l.* per cent. for the year ending 30th June 1836, when a heavy loss by forgery was entirely written off.

10.—Variations in rate of dividend, and date of such variations?
A decrease on the year ending 30th June 1836, of 1 *l.* 10 *s.* per cent., occasioned by the loss by forgery, referred to in Answer to Question No. 9.

11.—Date of deed of settlement, and number of persons who have signed such deed?
2d July 1834; signed by 164 original shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
A copy has been already furnished to the Committee.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copies of the annual report and statement of account laid before the proprietors at their last general meeting, held on the 2d August 1836, accompany this return. The same were prepared as heretofore by the manager and two confidential directors, then submitted to the audit and examination of a general board of directors, upon whose joint responsibility the same were afterwards laid before the shareholders, pursuant to the 48th clause of the deed of settlement.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes are made payable at Southampton and in London, and are also paid at the respective branches.

16.—At what date or sight bank post bills are issued?
No bank post bills are issued, but the Company draw on Messrs. Jones, Loyd & Co., at seven days' sight to 21 days' date, and sometimes at sight, according to circumstances.

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17.—Rate of interest paid by the bank, whether on deposits or balances of account?

£. 3 per cent. on deposits; no interest allowed on current accounts.

18.—Variations in such rate, and date of such variations?

No. 25.
The Hampshire Banking Company.

Previously to the 1st November 1836, 2 *l.* 10 *s.* per cent., when in consequence of the increased value of money, the rate of interest was advanced to 3 *l.* per cent., at which it still continues.

19.—Date to which the account is made up?

31st December 1836.

Southampton, 2 March 1837. *Thomas Trew*, Manager.

No. 26.—COUNTY OF GLOUCESTER BANK.

No. 26.
County of Gloucester Bank.

Question 1.—Name of the joint stock bank, and date of commencing business?

Answer.—County of Gloucester Bank; 1st August 1836. *See* general remarks attached*.

2.—Number and situation of branches, and distance of each from central bank?

Seven; namely, Gloucester, Cheltenham, Burford, Cirencester, Faringdon, Tetbury and Dursley. *See* general remarks attached*.

3.—Amount of nominal capital?

£. 800,000.

4.—Number of shares, and nominal value of each share?

Eight thousand shares, of 100 *l.* each.

5.—Number of shares issued?

Seven thousand and seventy.

6.—Amount of paid-up capital?

£. 176,750.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

One call paid at the commencement of the business, of 25 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

* These remarks and report were not sent to be printed.

None; the first dividend not being declarable till 1st August 1837.

10.—Variations in rate of dividend, and date of such variations?

None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

Deed of settlement, dated 26th July 1836, executed by 285 out of 297 shareholders, the remaining 12 being either out of England or at a distance; but all have paid the call on their shares.

12.—Copy of deed settlement, when it has been printed and published?

Printed copy of deed of settlement with index, sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

A copy of the report and account laid before the proprietors at the only general meeting held, is sent herewith*, formed from a balance sheet in accordance with sect. No. 56 of the deed of settlement. The accounts from which the balance sheet was made were prepared under the responsibility of the directors and managers of each branch.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank holds none of its shares or stock in trust or as security for advances, but has 930 shares unappropriated. *See* general remarks attached*.

15.—Places at which promissory notes and bank post bills are made payable?

All promissory notes are payable where issued; viz. at Gloucester, Cheltenham, Cirencester, Tetbury, Faringdon, Burford and Dursley, and also in London.

16.—At what date or sight bank post bills are issued?

None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Interest on deposits only 2 ½ per cent. in most cases, 3 per cent. by special agreement.

18.—Variations in such rate, and date of such variations?

Occasional variation of such rate has been made under special agreement, but no more than 3 per cent. is ever allowed.

19.—Date to which the account is made up?

Account made up to 25th December 1836.

No. 27.—BIRMINGHAM AND MIDLAND BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer 1.—Birmingham and Midland Bank; 22d August 1836.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£. 250,000.

4.—Number of shares, and nominal value of each share?
Twenty-five thousand shares of 10 *l.* each.

5.—Number of shares issued?
Eight thousand seven hundred and sixty-five. The provisional committee for forming the bank did not think it expedient to allot a larger number of shares. The number was fixed at 25,000, to provide for any great extension of business, and not to give the public a false idea of the resources of the bank.

6.—Amount of paid up capital?
£. 36,400.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

Deposit of 2 *l.* per share paid before the opening of the bank - -	£. 15,090
Since paid - - - - - - - - - - - - -	2,440
	17,530
Call of 3 *l.* per share, due 24th November, paid - - - -	18,870
	36,400
Ditto - ditto - unpaid on 31st December - - - - -	7,425
	£. 43,825

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?
No variation.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Dated 15th August 1836; signed by 226 persons.

12.—Copy of deed of settlement, when it has been printed and published?
Copy sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
There has been no report made nor account laid before the proprietors. The 63d clause of the deed of settlement directs that the accounts shall be examined and signed by three or more directors, and a balance sheet shall be exhibited at the annual general meetings; and by the 86th clause of the deed, the shareholders have the power of appointing auditors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank does not hold any of its own shares in any shape.

15.—Places at which promissory notes and bank post bills are made payable?
No promissory notes are issued; bills are drawn upon the London agents of the bank.

16.—At what date or sight bank post bills are issued?
From sight to seven days after sight, and from demand to 21 days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half, three, and in some instances as much as 3 ½ per cent.

18.—Variations in such rate, and date of such variations?
No variation.

19.—Date to which the account is made up?
31st December 1836.

Charles Geach, Manager.

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No. 28.
Cumberland Union Banking Company.

No. 28.—CUMBERLAND UNION BANKING COMPANY.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—The Cumberland Union Banking Company; commenced business at Workington, 2d March 1829.

2.—Number and situation of branches, and distance of each from central bank?
Cockermouth, 8 miles; Maryport, 6 miles; Wigton, 24 miles; Carlisle, 35 miles; Penrith, 38 miles: all in Cumberland.

3.—Amount of nominal capital?
£. 200,000.

4.—Number of shares, and nominal value of each share?
Two thousand shares, of 100 *l.* each.

5.—Number of shares issued?
Eighteen hundred and eighty-one.

6.—Amount of paid-up capital?
£. 18,810.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

Deposit per share - -	£.	5	– on subscribing.
First instalment - -		4 15	– 16th February 1829.
Second ditto - - -		5	– – 27th April 1829.
Total - - -	£.	10	– –

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?
Answer 9, 10.—First dividend, 1st September 1831, 10 per cent.; 2d dividend, 1st September 1832, 5 per cent.; 3d dividend, 2d September 1833, 5 per cent.; 4th dividend, 1st September 1834, 5 per cent.; 5th dividend, 1st September 1835, 7 ½ per cent.; 6th dividend, 1st September 1836, 7 ½ per cent; bonus, 1st September 1836, 2 ½ per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Deed dated 19th January 1829; signed by 166 persons. A supplementary deed, dated 5th October 1830, signed by 79 persons, who have since had shares transferred to them.

12.—Copy of deed of settlement, when it has been printed and published?
Printed on or about 29th January 1829, and a copy sent with the former answers, 27th May 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
At the first meeting of directors after the books have been balanced, they are inspected and examined by the directors present (generally five or six), and a minute made in the book, under an abstract of the balances, stating that they have been examined and audited, which is signed by them. A draft of the report is drawn up and submitted to the board of directors, who either approve of or alter it, and decide upon the form in which it is to be laid before the general meeting of proprietors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Of the 20,000 shares, 119 were never issued, and are held by the bank; none other.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes are made payable at Workington and Cockermouth only. No bank post bills issued.

16.—At what date or sight bank post bills are issued?
None.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?
Answer 17, 18.—From commencement to 1st June 1830, the bank allowed on deposits and accounts, 2 ½ per cent; from 1st June 1830 to 1st April 1831, 2 per cent.; from 1st April 1831 to 22d October 1836, 2 ½ per cent.; since 22d October 1836, 3 per cent.

19.—Date to which the account is made up?
31st December 1836.

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Returns from Banking Companies.

No. 29.
West of England and South Wales District Bank.

No. 29.—WEST OF ENGLAND AND SOUTH WALES DISTRICT BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—West of England and South Wales District Bank; commenced 29th December 1834.

2.—Number and situation of branches, and distance of each from central bank?

Branches:			Agencies:		
Bath	distant	12 miles.	Axbridge	distant	18 miles.
Barnstaple	ditto	99 —	Bideford	ditto	110 —
Bridgwater	ditto	34 —	Glastonbury	ditto	27 —
Cardiff	ditto	41 —	Merthyr	ditto	66 —
Exeter	ditto	75 —	Somerton	ditto	34 —
Newport	ditto	29 —	Williton	ditto	43
Swansea	ditto	85 —			
Taunton	ditto	46 —			
Wells	ditto	21 —			

3.—Amount of nominal capital?
£.1,000,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand shares, of 20*l.* each.

5.—Number of shares issued?
Twenty-one thousand three hundred and fifty-three shares issued.

6.—Amount of paid-up capital?
Paid up, 213,530*l.* *N.B.*—Another call of 2*l.* 10*s.* per share has been made, and is payable 30th April 1837; say 53,382*l.* 10*s.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 2*l.* 10*s.* per share, 8th November 1834; 2d call, 2*l.* 10*s.* per share, 8th January 1835; 3d call, 5*l.* per share, 15th July 1835; 4th call, 2*l.* 10*s.* per share, due 30th April 1837.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Six per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?
31st December 1835, 5 per cent.; 31st December 1836, 6 per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Dated 9th February 1835, and signed by 414 proprietors.

12.—Copy of deed of settlement, when it has been printed and published?
A summary of the deed of settlement accompanies this return; copies have been distributed amongst the proprietors, and a supply is always on hand for any applicants.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
A copy of report at the last general meeting of proprietors accompanies this; clause 65 of the deed of settlement empowers the shareholders to appoint three proprietors to audit the accounts then produced.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Own shares, 13,443*l.* 17*s.* 6*d.*; other bank shares, 1,225*l.* We consider it objectionable to advance on our own shares, and no further advances would be permitted.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes are payable at the places where dated; namely, at the branches of the bank, and at Messrs. Glyn & Co., in London. Post bills payable at Glyn & Co., London.

16.—At what date or sight bank post bills are issued?
At seven days', 14 days', or 21 days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two, 2 ½, 3 and 3 ½ per cent.

18.—Variations in such rate, and date of such variations?
Two and 2 ½ per cent., 29th December 1834; 2 ½ and 3 per cent., 17th September 1836; 2 ½, 3 and 3 ½ per cent., 25th February 1837.

19.—Date to which the account is made up?
25th February 1837.

West of England and South Wales District Bank,
Bristol, 2 March 1837.

John Bates,
General Manager.

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Returns from Banking Companies.

No. 30.
Glamorganshire Banking Company.

No. 30.—GLAMORGANSHIRE BANKING COMPANY

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Glamorganshire Banking Company; commenced business 12th September 1836.

2.—Number and situation of branches, and distance of each from central bank?
Swansea and Neath, distant from each other eight miles. The private banking firms of Williams and Rowland, of Neath, and Eaton, Knight and Stroud, of Swansea, united their concerns as a basis for the Glamorganshire Banking Company.

3.—Amount of nominal capital?
£. 200,000.

4.—Number of shares, and nominal value of each share?
Ten thousand of 20 *l.* each; no person holds less than five shares, nor can any less number than five shares be transferred.

5.—Number of shares issued?
Six thousand five hundred, being the number proposed to be first issued; 3,500 reserved to be issued by the directors at a future period, if the increase of the business of the bank should make it desirable. *Vide* the deed of settlement, clause 85.

6.—Amount of paid-up capital?
£. 32,500.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
5th September 1836; 5 *l.* per share paid up; 2 *l.* 10 *s.* per share, payable 6th May 1837, on 6,500 shares.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Nil.

9.—Rate of declared dividend?
Seven per cent. per annum, from 5th September to 31st December 1836.

10.—Variations in rate of dividend, and date of such variations?
Nil.

11.—Date of deed of settlement, and number of persons who have signed such deed?
29th August 1836; the deed is now in course of signature; 50 persons have signed.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Sent herewith; the accounts are prepared by the managers and approved by the confidential directors. *Vide* deed of settlement, clause 54.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Nil.

15.—Places at which promissory notes and bank post bills are made payable?
None issued; the notes of the Bank of England only have been used.

16.—At what date or sight bank post bills are issued?
Drafts on London at from seven days' sight to 21 days' date are given, when required by the customers of the bank.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. per annum allowed upon deposits, where agreements are entered into to give from 21 days' to one month's notice before such deposits can be withdrawn.

18.—Variations in such rate, and date of such variations?
Two-and-a-half per cent. to 1st November 1836; 3 per cent. from 1st November 1836.

19.—Date to which the account is made up?
31st December 1836.

28 February 1837.

J. Rowland,
W. Stroud, } Managers.

No. 31.
Commercial Bank of England, Manchester.

31.—COMMERCIAL BANK OF ENGLAND, MANCHESTER.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Commercial Bank of England, Manchester; 12th August 1834.

2.—Number and situation of branches, and distance of each from central bank?
Fifteen. Birmingham, 78 miles; Blackburn, 24 miles; Burnley, 25 miles; Burslem, 34 miles; Chester, 40 miles; Hanley, 36 miles; Leek, 30 miles; Liverpool, 32 miles; Ludlow, 100 miles; Newport, 60 miles; Preston, 30 miles, sub-branch at Chorley; Rochdale, 11 miles;

miles; sub-branches at Todmorden, Haslingden, Bacup and Newchurch; Shrewsbury 70 miles; Uttoxeter, 48 miles; Whitchurch, 60 miles. There is a resolution on the minutes, since 31st December 1836, to withdraw five more branches.

3.—Amount of nominal capital?
£. 262,485.

4.—Number of shares, and nominal value of each share?
One hundred thousand shares, of 5 *l.* each.

5. Number of shares issued?
Fifty-two thousand four hundred and ninety-seven shares issued.

6.—Amount of paid-up capital?
£. 262,485 paid up.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
All paid up.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Five per cent. per annum on paid-up capital or shares issued.

10.—Variations in rate of dividend, and date of such variations?
One per cent. variation; only one dividend before the present one, declared out of the profits ending 31st December 1836; the previous dividend being at the rate of 6 per cent. per annum.

11.—Date of deed of settlement, and number of persons who have signed such deed?
26th May 1834, date of deed of settlement; number of persons who have signed, 571; number of proprietors, 680.

12.—Copy of deed of settlement, when it has been printed and published?
Copy sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of report and account laid before general meeting under the responsibility of general board, agreeably with deed of settlement.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None. The deed of settlement gives a lien on all shares, consequently the bank has the security of the shares of all customers, over-drafts, &c., where any.

15. Places at which promissory notes and bank post bills are made payable?
Payable where issued, and in London, and by courtesy wherever the bank is situated.

16.—At what date or sight bank post bills are issued?
Not exceeding 21 days' date or 7 days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
From three per cent. and upwards.

18.—Variations in such rate, and date of such variations?
Impossible to be given, so very fluctuating.

19.—Date to which the account is made up?
31st December 1836.

T. Grugeon, Managing Director.

No. 32.—SOUTH LANCASHIRE BANK, MANCHESTER.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—South Lancashire Bank, Manchester; 31st May 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand of 10 *l.* each.

5.—Number of shares issued?
Thirty thousand two hundred and fifteen.

6.—Amount of paid-up capital?
£. 150,212. 10 *s.*

7.—Date

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Returns from Banking Companies.

No. 32.
South Lancashire Bank, Manchester.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

First call, 11th May 1836, 75,537 *l.* 10 *s.*; second call, 1st August 1836, 74,675 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?

None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

7th April 1836; 686.

12.—Copy of deed of settlement, when it has been printed and published?

Herewith sent.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

No report yet made, as the time for a general meeting is not arrived. For the nature of the audit, &c., *see* clause 60 in the deed of settlement.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The directors do not recognize the principle of making advances, either to themselves or others, on their shares; but they have, by the deed of settlement, a lien on all shares held by persons who might stand indebted to the bank. The bank holds, in its own right, 13,000 *l.*, the dividends on which are to be appropriated in aid of the surplus fund account.

15.—Places at which promissory notes and bank post bills are made payable?

16.—At what date or sight bank post bills are issued.

Answer 15, 16.—The bank does not issue promissory notes or bank post bills.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

From 3 per cent. to 3 ½ per cent. per annum.

18.—Variations in such rate, and date of such variations?

None.

19.—Date to which the account is made up?

25th February 1837.

H. C. Lacy,
Chairman of the Board of Directors.

Manchester, 1 March 1837. *R. Penny*, Manager.

No. 33.—STOURBRIDGE AND KIDDERMINSTER BANK.

No. 33.
Stourbridge and Kidderminster Bank.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Stourbridge and Kidderminster Bank; commenced business at Stourbridge, 10th April 1834, and at Kidderminster, 30th June 1834.

2.—Number and situation of branches, and distance of each from central bank?

Two branches and four agencies:

1. A branch at Kidderminster, seven miles from Stourbridge.
2. Ditto - at Stratford-on-Avon, 30 miles - ditto.

Four agencies, all connected with the branch at Stratford-on-Avon:

1. Henley-in-Arden, eight miles from Stratford.
2. Shipston-on-Stour, 10 miles from Stratford, six miles from Moreton, 11 miles from Chipping Norton.
3. Moreton-in-Marsh, 16 miles from Stratford, six miles from Shipston, eight miles from Chipping Norton.
4. Chipping Norton, 21 miles from Stratford, 11 miles from Shipston, eight miles from Moreton.

Attendance is given for about two hours every Tuesday. 1. At Bromsgrove, 10 miles from Stourbridge, 20 miles from Stratford. 2. Redditch, 15 miles from Stourbridge, and 15 miles from Stratford. 3. Alcester, 22 miles from Stourbridge, and eight miles from Stratford, places in the direct line between Stourbridge and Stratford, but we have no establishment or paid agent at any of them.

3.—Amount of nominal capital?

£. 250,000.

4.—Number of shares, and nominal value of each share?

Ten thousand shares, of 25 *l.* each.

5.—Number of shares issued?

Nine thousand.

6.—Amount

6.—Amount of paid-up capital?
£. 45,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One instalment of 5 *l.*, called when the shares were issued.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None forfeited.

9.—Rate of declared dividend?
Six per cent. and 8 per cent. per annum.

13.—Variations in rate of dividend, and date of such variations?
August 1835, 6 per cent.; August 1836, 8 per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Signed by 270 persons. Among the present proprietors there are 12 county magistrates, four of whom are deputy-lieutenants, 54 persons out of business, three barristers-at-law, 12 solicitors, 80 merchants and manufacturers, besides numerous extensive landed proprietors. Deed dated 25th March 1834, and enrolled in the Court of Chancery, 11th February 1835.

12.—Copy of deed of settlement, when it has been printed and published?
Copy sent with former return.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of second annual report sent herewith. The accounts are made up on the responsibility of the accountant and manager, and are examined and audited by the directors at a special meeting for this purpose. Proprietors at a general meeting are fully authorized by 84th clause of the deed of settlement to appoint two persons, being proprietors of 50 shares each, to examine and report on the affairs of the Company, with power to call for all books, writings and documents of the Company, and in addition to the manager, accountant, clerks, officers, &c., to employ, at the expense of the Company, such clerks and assistants as may be necessary to aid them in making their audit and report.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank does not hold any of its own shares in trust, as security for advances or in its own right; but we have, by 91st clause of our deed, a general lien on the shares of each proprietor who may be indebted to the Company, with power of forfeiture.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes are payable at Stourbridge, Kidderminster and Stratford-on-Avon, also at Messrs. Smith, Payne & Co., in London. Bills drawn after date or sight are all on London.

16.—At what date or sight bank post bills are issued?
We do not issue any bills designated "post bills," but we grant drafts on London at any date not exceeding 21 days' or seven days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
The rate of interest on deposits varies from 2 to 3 per cent., and on balances of account from 2 to 2 ½ per cent.

18.—Variations in such rate, and date of such variations?
No variation.

19.—Date to which the account is made up?
31st December 1836.

No. 34.—BRADFORD COMMERCIAL JOINT STOCK BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Bradford Commercial Joint Stock Bank; commenced business 4th March 1833?

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Five thousand shares of 100 *l.* each.

5.—Number of shares issued?
Two thousand nine hundred and seventy.

6.—Amount of paid-up capital?
£. 48,095.

7.—Date

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Returns from Banking Companies.

No. 34. Bradford Commercial Joint Stock Bank.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
1st February 1833, called 5 *l.* per share; 1st August 1833, called 5 *l.* per share; 30th September 1834, called 5 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Average about 10 per cent.

10.—Variations in rate of dividend, and date of such variations?
February 1834, paid 7 ½ per cent.; February 1835, paid 7 per cent.; February 1836, paid 7 per cent.; February 1837, paid 7 ½ per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Dated 20th February 1833; 167 have signed the deed of settlement.

12.—Copy of deed of settlement, when it has been printed and published?
A copy sent in June 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Sent herewith. Accounts audited by the directors, and prepared under their responsibility.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes are made payable?
Bradford, Yorkshire.

16.—At what date or sight bank post bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three-and-a-half per cent. on deposits, 3 per cent. on balances of accounts.

18.—Variations in such rate, and date of such variations?
Increased one-half per cent. from 1st August 1836; on deposits from 3 to 3 ½ per cent.; and on balances of accounts from 2 ½ to 3 per cent.

19.—Date to which the account is made up?
31st December 1836.

35.—LIVERPOOL UNION BANK.

No. 35. Liverpool Union Bank.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Liverpool Union Bank; commenced 1st May 1835.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£. 600,000, with power to increase it to 1,000,000 *l.*

4.—Number of shares, and nominal value of each share?
Thirty thousand shares, of 20 *l.* each, with power to create 20,000 more.

5.—Number of shares issued?
Twenty-five thousand seven hundred and thirty-five, on 31st December 1836.

6.—Amount of paid-up capital?

£.	s.	d.	
257,350	–	–	to which add
55,703	19	8	reserved surplus fund.
£. 313,053	19	8	

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call of 5 *l.* per share on 1st May 1835; second call of 5 *l.* per share on 1st July 1835; in all, 10 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Not one.

9.—Rate of declared dividend?
Only one half-yearly dividend declared, being at the rate of 8 per cent.

10.—Variations

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st May 1835; signed by 329 shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
It has been printed and published, and a copy already furnished to the Secret Committee.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The Committee have already been furnished with reports to the 30th June 1835, inclusive. The last is now enclosed. The accounts are audited by the bill committee, after having been made up by the clerks under the superintendence of the manager. The report is subjected to the revision of the whole board, and issued under their sanction and responsibility.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds 10 shares in its own right, purchased from a bankrupt's estate, at the then market price.

15.—Places at which promissory notes and bank post bills are made payable?
The bank does not issue either.

16.—At what date or sight bank post bills are issued?
Answered in the former question.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three-and-a-half to five per cent., according to circumstances.

18.—Variations in such rate, and date of such variations?
Up to the 30th June 1835, the bank only allowed 2 ½ to 3 per cent. on cash balances of current accounts and deposit receipts; but since that date, in consequence of the increased value of money, the rate has been raised, as per No. 17.

19.—Date to which the account is made up?
To 31st December 1836.

James Lister, Manager.

No. 36.—CARLISLE AND CUMBERLAND JOINT STOCK BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Carlisle and Cumberland Joint Stock Bank; 15th October 1836.

2.—Number and situation of branches, and distance of each from central bank?
One, at Wigton, 10 miles.

3.—Amount of nominal capital?
£.400,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand, 20 *l.* each.

5.—Number of shares issued?
Ten thousand one hundred and ninety.

6.—Amount of paid-up capital?
£.50,950.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 1st October 1836, 2 *l.* 10 *s.* per share; second call, 2d January 1837, 2 *l.* 10 *s.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11. Date of deed of settlement, and number of persons who have signed such deed?
2d January last; 44 only, the deed not having been ready till the beginning of this month of February.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet printed.

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Returns from Banking Companies.

No. 36.
Carlisle and Cumberland Joint Stock Bank.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
None yet.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes, at Carlisle.

16.—At what date or sight bank post bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per centum per annum.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
25th February 1837.

John Nelson, Cashier.

No. 37.—BANK OF STOCKPORT.

No. 37.
Bank of Stockport.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—Bank of Stockport; 4th May 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 333,125.

4.—Number of shares, and nominal value of each share?
Fifteen thousand; and, with consent of the proprietors, 30,000; 25 *l.*

5.—Number of shares issued?
Thirteen thousand three hundred and twenty-five.

6.—Amount of paid-up capital?
£. 66,625.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
25th March and 25th June 1836; and 3d call, 25th March 1837.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
4th May 1836; 395 signatures.

12.—Copy of deed of settlement, when it has been printed and published?
Herewith sent.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Printed. The first half-yearly report examined and audited by the directors of the bank.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds 300 shares, purchased. The bank has a lien on every proprietor's shares having an advance from the bank.

15.—Places at which promissory notes and bank post bills are made payable?
None.

16.—At what date or sight bank post bills are issued?
None.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, 3 per cent.; on balance of current accounts, 4 per cent.

18.—Variations in such rate, and date of such variations?
Two-and-a-half per cent. on deposits, up to 1st August; 3 per cent. on current accounts, up to 1st August.

19.—Date to which the account is made up?
31st December 1836.

John Jackson, Manager.

No. 38.—BARNSLEY BANKING COMPANY.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—Barnsley Banking Company; commenced 13th February 1832.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 300,000.

4.—Number of shares, and nominal value of each share?
Three thousand, at 100 *l.* each.

5.—Number of shares issued?
Two thousand five hundred and fifteen; *see* No. 8.

6.—Amount of paid-up capital?
£. 25,100.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
11th January 1832, 5 *l.*; 13th February 1832, 5 *l.* A third call of 5 *l.* per share becomes payable on the 15th of April next.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None have been forfeited for non-payment of instalments, but five have for a deb the bank.

9.—Rate of declared dividend?
Have no declared rate of dividend.

10.—Variations in rate of dividend, and date of such variations?
Seven-and-a-half per cent. from 13th February 1832 to 31st December 1833; 6 per cent. from 31st December 1833 to 31st December 1834; 6½ per cent. from 31st December 1834 to 31st December 1835; 7 per cent. from 31st December 1835 to 31st December 1836.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st May 1832; signed by 134 shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
Sent with a similar return to this on the 11th June last.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copies of the last report and accounts accompany this return. The audit and examination of the accounts are subjected to a board of seven directors, who are responsible for their accuracy; after which a report and balance sheet are prepared, and presented to the body of proprietors at their annual general meeting. *See* clause No. 49, p. 34, of the printed copy of the deed of settlement.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Five hundred shares were reserved by the directors to be disposed of, as stated in clause No. 3, p. 3, of which 15 have since been disposed of to customers of the bank. The bank holds no other shares in its own right, or in trust, or as security for advances, except by the general lien clause, No. 33, p. 22.

15.—Places at which promissory notes and bank post bills are made payable?
Do not draw bank post bills; the promissory notes are payable at Barnsley only.

16.—At what date or sight bank post bills are issued?
Not any issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent. on deposits from two to six months; 3 per cent. on deposits if six months or upwards; 3 per cent. on accounts where commission is charged; 2½ per cent. on accounts where no commission is charged.

18.—Variations in such rate, and date of such variations?
Interest on deposits of six months and upwards was allowed at 3 per cent. up to 31st March 1833, when it was reduced to 2½, and raised again on the 30th September 1836 to 3 per cent.

19.—Date to which the account is made up?
31st December 1836.

No. 39.—BRADFORD BANKING COMPANY.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—Bradford Banking Company; commenced business 15th June 1827.

2.—Number and situation of branches, and distance of each from central bank?
Has no branches.

— I. —
Returns from Banking Companies.

No. 39.
Bradford Banking Company.

3.—Amount of nominal capital?
£.500,000.

4.—Number of shares, and nominal value of each share?
Five thousand shares of 100 *l.* each.

5.—Number of shares issued?
Three thousand eight hundred and ninety-five.

6.—Amount of paid-up capital?

	£.77,900
Besides a reserved or guarantee fund of -	27,934
Total - - -	£.105,834

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call of 10 *l.* per share, 15th June 1827; 2d call of 10 *l.* per share, 1st January 1828.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Last declared dividend was 10 *l.* per cent.

10.—Variations in rate of dividend, and date of such variations?
See last return, No. 1; no variation since.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Dated 1st June 1827; 199 persons have signed it.

12.—Copy of deed of settlement, when it has been printed and published?
Copy sent with last return.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Sent herewith; as to the nature of the audit and examination, *see* last report. It is now the same. The proprietors, by the deed of settlement, clause 72, have power to appoint auditors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
See last report.

15.—Places at which promissory notes and bank post bills are made payable?
See last report.

16.—At what date or sight bank post bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. on deposits for short of six months; 3 ½ per cent. on deposits for six months or longer; 3 per cent. on current accounts, charging 5 *s.* per cent. on all sums for which the account is debited.

18.—Variations in such rate, and date of such variations?
On the 1st February 1830 was reduced to 2 and 2 ½ per cent.; 30th June 1831, was raised to 2 ½ and 3 per cent.; 1st August 1836, was raised to 3 and 3 ½ per cent.

19.—Date to which the account is made up?
To 25th February 1837.

No. 40.—THE MONMOUTHSHIRE AND GLAMORGANSHIRE BANKING COMPANY.

No. 40.
The Monmouthshire and Glamorganshire Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Monmouthshire and Glamorganshire Banking Company; commenced 1st August 1836, being founded upon the established business of Jones & Blewitt and Towgood & Co., as private bankers.

2.—Number and situation of branches, and distance of each from central bank?
Newport, the central bank. Branches: Cardiff, Pontypool, Chepstow, Usk and Tredegar. Cardiff is distant 12; Pontypool, 10; Chepstow, 16; Usk, 10; and Tredegar about 24 miles from Newport. Cardiff is situate in Glamorganshire, and all the other branches are in Monmouthshire.

3.—Amount of nominal capital?
£.500,000.

4.—Number of shares, and nominal value of each share?
Twenty five thousand, of 20 *l.* each.

5.—Number

5.—Number of shares issued, 1st March 1837?
Thirteen thousand seven hundred and eighty-six.

6.—Amount of paid-up capital, 1st March 1837?
£.128,580.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up, 1st March 1837?
1st August 1836, 5 *l.* per share paid up; another call of 5 *l.* per share due 1st February 1837, of which 9,280 *l.* remains unpaid.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None, as yet.

9.—Rate of declared dividend?
£.12 per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st August 1836. Although dated on that day, it was not in part ready for execution until very lately, and many of the subscribers living at a distance, it will take some time to get executed by all of them. The cause of the delay in getting it ready arose out of a number of cases having been submitted to counsel on various legal points, in order that the deed might be as perfect as possible. The number who have now signed it is 109.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet printed, but it is in progress, and a copy shall be sent.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
There was a meeting of proprietors on the 6th February 1837, at which the reports comprised in the accompanying paper, prepared and sanctioned by and at a previous meeting of the directors, was read to the proprietors, and a clause in the deed was read authorizing the appointment of auditors to examine the accounts, but the proprietors present declined to appoint any such auditors or to investigate the accounts, being quite satisfied with the statement made to them.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds no stock, but the shares are by the deed made liable to secure any debt due to the bank.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes at Newport, Cardiff, Pontypool and Chepstow. Bank post bills at Williams & Co., and Rogers & Co., London.

16.—At what date or sight bank post bills are issued?
From sight to 21 days.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. for money deposited.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
31st December 1836, except as above, with regard to questions 5, 6 and 7.

41.—NEWCASTLE COMMERCIAL BANKING COMPANY.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—Newcastle Commercial Banking Company; 1st of August 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£.100,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares, of 10 *l.* each.

5.—Number of shares issued?
Four thousand one hundred.

6.—Amount of paid-up capital?
£. 20,425.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

	£.	s.	d.
1 August 1836 - - - - - -	10,250	–	–
22 September 1836 - - - - - -	10,087	10	–
6 March 1837 - - - - - -	87	10	–
	£.20,425	–	–

No. 41. Newcastle Commercial Banking Company.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
One hundred.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
10th day of February 1837; 30 signatures.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet printed; abstract enclosed.

13.—Copies of the last reports and accounts laid before the proprietors, a' statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No account yet laid before the proprietors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Holds in its own right 5,900 shares.

15.—Places at which promissory notes and bank post bills are made payable?
Newcastle-upon-Tyne and London.

16.—At what date or sight bank post bills are issued?
None.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, 3 per cent.; on balances of accounts, 2 ½ per cent.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
The 27th February 1837.

No. 42.—LEEDS COMMERCIAL BANKING COMPANY.

No. 42. Leeds Commercial Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Leeds Commercial Banking Company; commenced business 1st July 1836.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£.800,000.

4.—Number of shares, and nominal value of each share?
Forty thousand shares, 20*l.* each.

5.—Number of shares issued?
Twenty thousand one hundred and ten.

6.—Amount of paid-up capital.
£.50,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
1st July 1836; 2*l.* 10*s.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9. Rate of declared dividend?
No dividend paid; *see* report.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
11th May 1836; signed by 125 shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
Copy herewith.

13.—Copies

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of last report herewith. A reference to the deed of settlement will explain the nature of the responsibility under which the report is prepared.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Has a lien on all shares.

15.—Places at which promissory notes and bank post bills are made payable?
Leeds and London.

16.—At what date or sight bank post bills are issued?
Bills, not exceeding 21 days' date, issued under Composition Act.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. on deposits; 5 per cent. on accounts.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
31st December 1836.

No. 43.—MANCHESTER AND SALFORD BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Manchester and Salford Bank; commenced 15th August 1836.

2.—Number and situation of branches, and distance of each from central bank?
No branch.

3.—Amount of nominal capital?
£.1,000,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand shares, 20*l.* each. No person is allowed to hold less than 10 shares. Equivalent to 5,000 shares of 200*l.* each.

5.—Number of shares issued?
Twenty-seven thousand one hundred and ninety shares.

6.—Amount of paid-up capital?
£.271,900. There is also a reserved fund of 19,400*l.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
1st August 1836, 5*l.* per share; 1st December 1836, 5*l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Not one.

9.—Rate of declared dividend?
No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?
No dividend yet declared.

11.—Date of deed of settlement, and number of persons who have signed such deed?
15th August 1836; 265 persons have signed the deed.

12.—Copy of deed of settlement, when it has been printed and published?
A copy is sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
There has not yet been any report or statement of accounts laid before the proprietors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
This bank holds no shares in trust. It has, under the deed of settlement, a general lien upon shares, when a proprietor or proprietors of them become indebted to the bank. It does not advance upon shares.

15.—Places at which promissory notes and bank post bills are made payable?
No promissory notes nor bank post bills are issued for circulation.

16.—At what date or sight bank post bills are issued?
Short dated bills are drawn for customers upon Messrs. Williams, Deacon & Co., to transmit money, chiefly at seven days' date.

— I. —
Returns from Banking Companies.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Three, three-and-a-half or four per cent., according to circumstances.

18.—Variations in such rate, and date of such variations?

Recently, the higher rate of interest has been given, owing to the increased value of money.

No. 43. Manchester and Salford Bank.

19.—Date to which the account is made up?

28th January 1837.

(signed) *P. M. James*, Managing Director.

No. 44.—BANK OF BOLTON.

No. 44. Bank of Bolton.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Bank of Bolton; 11th July 1836.

2.—Number and situation of branches, and distance of each from central bank?

No branches.

3.—Amount of nominal capital?

£. 300,000 sterling.

4.—Number of shares, and nominal value of each share?

Fifteen thousand shares, at 20 *l.* per share.

5.—Number of shares issued?

Six thousand eight hundred and ninety.

6.—Amount of paid-up capital?

£. 20,670.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

24th June 1836; 3 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

No dividend has yet been declared.

10.—Variations in rate of dividend, and date of such variations?

See answer to preceding question.

11.—Date of deed of settlement, and number of persons who have signed such deed?

The draft of the deed has been submitted to a general meeting of the shareholders, and approved of, and is now in course of preparation.

12.—Copy of deed of settlement, when it has been printed and published?

See answer to preceding question.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

None have yet been laid before the proprietors; *see* answer to question No. 1.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

Holds 50 shares which it purchased. Eight thousand one hundred and ten shares are unappropriated, which the directors hold to be allotted in such manner as may appear to them to be most for the benefit of the bank. By a clause in the draft of deed adopted by the shareholders, "no person can hold more than 200 shares nor less than five; shares not to be granted or transferred to persons residing more than eight miles from Bolton, or five miles from a branch of this bank, except in cases where the directors see special reason to deviate. Under special circumstances directors may allow any person to hold a greater number of shares than 200." Applications for shares to a greater number than that unallotted were received, but rejected, from a determination on the part of the directors to adhere to the above clause. No shares held as security for advances. Shareholders have no claim to any advances upon their shares, and are in every respect treated as the other customers of the bank; but the shares of each proprietor are liable for any amount they may owe the Company in their accounts.

15.—Places at which promissory notes and bank post bills are made payable?

Do not issue promissory notes or bank post bills.

16.—At what date or sight bank post bills are issued?

See answer to preceding question. Do not draw bills except at the request of customers.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Two-and-half per cent. on deposits, and 3 per cent. on balances of current accounts; the latter subject to ½ per cent. commission.

18.—Variations

18.—Variations in such rate, and date of such variations?
None; but since 31st December 1836, ½ per cent. advance on deposits, and 1 per cent. on current accounts.

19.—Date to which the account is made up?
31st December 1836.

No. 45.—YORK CITY AND COUNTY BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—York City and County Bank; commenced business the 9th March 1830.

2.—Number and situation of branches, and distance of each from central bank?
Five branches, as follows: Selby, 14 miles from the central bank; Boroughbridge, 17 miles; Malton, 18 miles; Howden, 20 miles; Scarborough, 40 miles.

3.—Amount of nominal capital?
£.500,000.

4.—Number of shares, and nominal value of each?
Five thousand shares; nominal value, 100*l.* each.

5.—Number of shares issued?
Five thousand shares, being all the number.

6.—Amount of paid-up capital?
£.75,000.

7.—Date of several calls for paid-up capital, and amount of the several instalments paid up.
February and March 1830, February 1831, and May 1835; amount of the several instalments paid up, 15 per cent., or 75,000*l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Not any shares forfeited for non-payment of instalments.

9.—Rate of dividend declared?
For the year ending 31st December 1831, 6 per cent.; 1832, 8 per cent.; 1833, 10 per cent.; 1834, 12 per cent.; 1835, 12 per cent.; 1836, 12 per cent.

10.—Variations in rate of dividend, and date of such variations?
Answered above.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Date, 20th February 1830; 310 have signed the original deed, and 70 a supplemental deed.

12.—Copy of deed of settlement, when it was printed and published?
Copy of deed of settlement, sent 31st May last, labelled, "York City and County Bank."

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The periodical statements are prepared by the manager of the Company, audited by the board of directors, and published under its responsibility.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank does not hold any of its own shares or stock, either in trust or in its own right.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes made payable at the places whence issued, respectively; viz. York, Selby, Boroughbridge, Malton, Howden and Scarborough.

16.—At what date or sight bank post bills are issued?
No bank post bills are issued.

17.—Rate of interest paid by the bank, whether on deposits, or balances of account?
Interest paid on deposits, if two months in hand, 3 per cent.; on balances of account, 2 ½ per cent.

18.—Variations in such rate, and date of such variations?
Rate of interest on deposits two months in hand, advanced on 1st January 1832, one-half per cent; and on the 1st August 1836, one-half per cent. more.

19.—Date to which the account is made up?
The 31st December.

N.B.—It will be seen, according to the 35th section of the deed of settlement, that a summary account of all dealings and investments of the Company shall be made out for the inspection of the directors four times in each year; and at the end of the month of December the directors shall cause the books of the bank to be properly settled, adjusted and balanced, and a full and explicit balance-sheet made out, containing all things requisite for fully and explicitly manifesting the state of the affairs of the Company.

— I. —
Returns from Banking Companies.

No. 46.
The Sheffield Banking Company.

No. 46.—THE SHEFFIELD BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Sheffield Banking Company; commenced business 1st of July 1831.

2.—Number and situation of branches, and distance of each from central bank?
One branch only, at Rotherham, six miles from Sheffield.

3.—Amount of nominal capital?
£. 300,000.

4.—Number of shares, and nominal value of each share?
One thousand five hundred shares, of 200 *l.* each.

5.—Number of shares issued?
One thousand four hundred and eighteen, up to 31st December 1836.

6.—Amount of paid-up capital?
£. 92,170., same date.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 30th March 1831, 20 *l.* per share; 2d call, 30th May 1831, 20 *l.* per share; 3d call, 1st September 1834, 5 *l.* per share; 4th call, 12th November 1834, 10 *l.* per share; 5th call, 1st August 1836, 10 *l.* per share; all which calls are paid up, amounting to 92,170 *l.*, as above.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?
Answer 9, 10.—No dividend declared for the first 12 months from the commencement of the establishment; dividend declared on the 25th January 1833, of four per cent. upon paid-up capital, being, for the half-year ending 31st December 1832, at the rate of eight per cent. per annum; dividend declared 31st January 1834, of 10 per cent. upon paid-up capital, being for the year ending 31st December 1833; dividend declared 30th January 1835, of 10 per cent. upon paid-up capital, being for the year ending 31st December 1834; dividend declared 29th January 1836, of eight per cent. upon paid-up capital, being for the year ending 31st December 1835; dividend declared 27th January 1837, of eight per cent. upon paid-up capital, being for the year ending 31st December 1836.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Original deed, dated 16th January 1832, signed by 232 persons; supplementary deed, dated 1st September 1834, signed by 199 persons.

12.—Copy of deed of settlement, when it has been printed and published?
Printed copies of original and supplementary deed of settlement were sent to the Chancellor of the Exchequer on the 15th June 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
A printed copy of the report made to the shareholders at the fifth or last annual meeting, held on the 27th January 1837, is sent herewith; printed copies of all preceding reports having been sent to the Chancellor of the Exchequer on the 15th June 1836. No account, further than is contained in the reports, ever has been required by the proprietors, who have an opportunity at the general meeting of making the fullest inquiry, and have been quite satisfied with the information verbally afforded. Clause 52 of the original deed states the nature of the report to be made to the proprietors, and clause 54 the inspection to which the affairs of the Company are subject, but which latter has never been acted upon.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Holds no shares in its own right, but has a lien on all advances.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes made payable at Sheffield and Rotherham. No bank post bills have been hitherto drawn by this company.

16.—At what date or sight bank post bills are issued?
Answered above.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, generally two per cent., if remaining three months; 2 ½ per cent. if remaining six months; three per cent. if remaining 12 months. On one deposit the bank, since December last, agreed to allow interest after the rate of four per cent. On balances of accounts with customers, 2 ½ per cent., and on balances of accounts with other banks, four per cent., from 1st October 1836.

18.—Variations in such rate, and date of such variations?
The above rates, excepting the variations mentioned, have been uniformly allowed since the opening of the bank.

19.—Date to which the account is made up?
31st December 1836.

James Drabble, Manager.

No. 47.—ASHTON, STALYBRIDGE, HYDE AND GLOSSOP BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Ashton, Stalybridge, Hyde and Glossop Bank; commenced business 1st July 1836.

2.—Number and situation of branches, and distance of each from central bank?
Has no branches.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Five hundred thousand shares, of 10 *l.* each.

5.—Number of shares issued?
Twenty thousand three hundred and thirty.

6.—Amount of paid-up capital?
£. 20,330.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
The first and only instalment, of 1 *l.* per share, was paid up 4th May 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?
Nil.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st July 1836; is in course of signature, and has received 304 names, an by the 14th instant will be signed by all the shareholders, 338 in number.

12.—Copy of deed of settlement, when it has been printed and published?
The deed has not yet been published, but is in the printer's hands.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report has yet been laid before the proprietors, the time required by the deed of settlement for such not elapsing until July next. The accounts, however, will be made out in conformity to the deed, by the manager and accountants, under the superintendence and inspection of the directors, and will subsequently be examined by three auditors chosen for that purpose by the shareholders. The state of individual accounts, and an abstract from the general ledger of the liabilities and assets of the bank, are laid before the directors weekly.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The directors have, by a clause in the deed of settlement, a general lien on the shares of proprietors indebted the company; but the bank does not on that account grant advances to shareholders, unless their accounts be considered profitable and safe, independently of the shares that they may hold.

15.—Places at which promissory notes and bank post bills are made payable?
None issued.

16.—At what date or sight bank post bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, after the rate of 3 ½ per cent. per annum; and on current account balances, after the rate of 3 ½ per cent. or 4 per cent., according to circumstances.

18.—Variations in such rate, and date of such variations?
No variation hitherto.

19.—Date to which the account is made up?
25th February 1837.

(By order of the Board,)

Ashton-under-Lyne, 2d March 1837 *John Ross Coulthart,* Manager.

No. 48.—DEVON AND CORNWALL BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The original name was the Plymouth and Devonport Banking Company. It commenced business 2d January 1832; the name was changed to the Devon and Cornwall Banking Company 18th October 1833, in consequence of its having extended its branches beyond the limit originally contemplated.

— I. —
Returns from Banking Companies.

No. 48.
Devon and Cornwall Banking Company.

2.—Number and situation of branches, and distance of each from central bank?

Head office, Plymouth: Devonport, 2 miles; Exeter, 42 miles; Kingsbridge, 20 miles; Totness, 22 miles; Ashburton, 25 miles; Dartmouth, 28 miles; Newton, 30 miles; Collumpton, 54 miles; Tavistock, 14 miles; St. Austell, 36 miles; Liskeard, 18 miles; Bodmin, 30 miles; Launceston, 27 miles; Crediton, 50 miles.

3.—Amount of nominal capital?

£. 300,000.

4.—Number of shares, and nominal value of each share?

Three hundred shares, of 100 *l.* each.

5.—Number of shares issued?

Two thousand eight hundred and forty-one shares issued.

6.—Amount of paid-up capital?

£. 56,820.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

Deposit of 2 *l.* on subscribing; 1st instalment, of 10 *l.* per share, before 31st December 1831; 2d instalment, of 8 *l.* per share, before 30th June 1832.

Note.—An additional call was made 10th February 1837, a portion of which has been already paid.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?

Answer 9, 10.—A dividend of five per cent. on the paid-up capital was paid at the close of the first year; of 6 ½ per cent. on the second and third years respectively; of 7 ½ per cent. on the fourth year, and eight per cent. on the last year. The present amount of the guaran tee fund is about 16,000 *l.*, after making ample allowance for bad and doubtful debts.

11.—Date of deed of settlement, and number of persons who have signed such deed?

The date of the deed of settlement is 23d November 1832; it is signed by 147 persons.

12.—Copy of deed of settlement, when it has been printed and published?

A copy of the deed of settlement was sent with our last return.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

A copy of the last report laid before the proprietors accompanies this paper. The audit and examination of the accounts is entrusted to two directors, and the reports are prepared under the responsibility of the whole board. The deed of settlement, sec. 31, page 24, provides, that in case of dissatisfaction with the statement of the affairs of the company, every annual meeting may appoint two shareholders, qualified as directors, as auditors, to examine and report on the state of the accounts and affairs of the company; but this right has not been exercised, the proprietors having passed a unanimous resolution expressive of their entire satisfaction and confidence in the management of the bank.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank does not hold any of its own shares or stock, either in trust, as security for advances, or in its own right, excepting such as are not issued, and consequently are not reckoned as capital.

15.—Places at which promissory notes and bank post bills are made payable?

Plymouth, Devonport, Kingsbridge, St. Austell, Totness, Exeter, Tavistock, and are payable at the places from whence they are issued respectively.

16.—At what date or sight bank post bills are issued?

No bank post bills are issued; but bills of exchange are drawn on London at any date which may be required, in conformity with the provision of the Composition Act, and sometimes on stamps.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?

Answer 17, 18.—Three per cent. interest is paid on deposits, which rule has not varied since the establishment of the bank.

19.—Date to which the account is made up?

This account is made up to 31st December 1836.

The increase of the liabilities and assets of this bank, as compared with the last return, arises from its having become connected with the long-established and respectable bank of Messrs. Sparks & Co., of the General Bank at Exeter, who merged this extensive business into that of the company in July last. The directors have, since the date of this return, taken measures very considerably to increase the capital of the company, by the issue of 2,000 additional shares of 100 *l.* each, and by calling for another instalment on the shares already issued.

(By order of the Directors,)

David Derry, General Manager.

No. 49.—KNARESBOROUGH AND CLARO BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Knaresborough and Claro Banking Company; commenced business 12th October 1831.

2.—Number and situation of branches, and distance of each from central bank?
1. Branch at Ripon, distance 10 miles; 2. Agency at Easingwold, distance 16 miles; 3. Market attended at Wetherby, one day in each week, by a clerk from Knaresborough, distance 7 miles; 4. Market attended at Boroughbridge, one day in each week, by a clerk from Knaresborough, distance 7 miles; 5. Agency at Pateley Bridge, distance 14 miles.

3.—Amount of nominal capital?
£. 230,000.

4.—Number of shares, and nominal value of each share?
Two thousand three hundred, at 100 *l.* each.

5.—Number of shares issued?
Two thousand one hundred and sixty-two.

6.—Amount of paid-up capital?
£. 21,620; with surplus fund, 12th October 1836, 3,957 *l.* 6 *s.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

1st call, 5 per cent., 5th October 1831 - - - - - -	£. 10,710
2d - ditto - - 23d April 1832 - - - - - -	10,710
	£. 21,420
With surplus fund as stated in answer No. 6, and 20 shares sold the 3d October 1836 - - - - - - - - -	200
	£. 21,620

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
On the five years, 6 *l.* 12 *s.* per cent. on the paid-up capital.

10.—Variations in rate of dividend, and date of such variations?

1st year, 12th October 1832, nothing; expenses paid instead.
2d ditto - ditto - 1833, 7 per cent. on the paid-up capital.
3d ditto - ditto - 1834, 8 - ditto - - - ditto.
4th ditto - ditto - 1835, 9 - ditto - - - ditto.
5th ditto - ditto - 1836, 9 - ditto - - - ditto.

11.—Date of deed of settlement, and number of persons who have signed such deed?
31st August 1831; 169 persons have signed the deed.

12.—Copy of deed of settlement, when it has been printed and published?
In July 1832.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The profits of the establishment, as shown by the report for the year ending 12th October 1836, at the general meeting of the proprietors held the 9th November 1836:—

General Profits of the establishment:

	£.	s.	d.
The Knaresborough (agency included) net profits for the year ending 12th October 1836 - - - - - - - - - -	- 2,369	10	2
The Ripon branch net profits for the year ending the 12th October 1836	- 853	12	8
Total year's profits - - -	£. 3,223	2	10

Surplus Fund Account:

	£.	s.	d.
Amount reserved for the surplus fund in the year ending the 12th October 1835 - - - - - - - - - - - -	- 2,607	4	2
One year's interest, to the 12th October 1836 - - - - -	- 72	15	–
Amount reserved out of the profits of the year ending 12th October 1836	- 1,277	6	10
	£. 3,957	6	–

The accounts are audited and examined by the directors, and the reports drawn up under their responsibility.

— I. —
Returns from Banking Companies.

No. 49.
Knaresborough and Claro Banking Company.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None; 138 shares not disposed of.

15.—Places at which promissory notes and bank post bills are made payable?
Promissory notes payable at Knaresborough only; no bank post bills issued.

16.—At what date or sight bank post bills are issued?
No bank post bills issued; drafts drawn, under the Composition Stamp Act, at 21 days or under.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent., if six months, and if more than six months, three per cent., both on deposits and on accounts.

18.—Variations in such rate, and date of such variations?
Previous to the 1st August 1835, 2 per cent. was allowed, if six months, and if more than six months, 2 ½ per cent., both on deposits and on accounts.

19.—Date to which the account is made up?
The accounts are made up on the 12th April and the 12th October in each year; the last account made up on the 12th October 1836.

In reference to the Questions, Nos. 3 & 4:—

Resolutions passed at the General Annual Meeting held the 12th November 1834.

Moved by Mr. M. Gill, seconded by Mr. E. Barr,

That for the purpose of complying with the provisions of any law that may be hereafter enacted by the Legislature relating to the constitution and regulation of joint-stock banking companies, it shall be lawful for the directors for the time being of this banking company to alter the capital thereof, by declaring such capital to be the actual sum paid up by the shareholders, with the addition thereto of the amount of the surplus fund, as ascertained at this or any annual meeting providing such alteration, or to adopt such other measures as they may deem expedient for meeting any emergency that may present itself by any alteration in the law.

Moved by Mr. M. Gill, seconded by Mr. E. Barr,

That the entry of a minute of such alteration in the book of proceedings of the said directors shall be sufficient evidence thereof, and shall bind all the said shareholders, and shall not in any manner prejudice or alter the provisions of the deed of settlement in any other manner than declaring the capital of the company to be the sum for the time being actually paid up, with the addition of the said surplus fund, or such other sum as the said directors may deem expedient: but such directors shall nevertheless have the power to call for the full sum of 100 *l.* on each share, in the manner prescribed by the said deed, if they shall see occasion.

The following Resolution was agreed upon at a meeting of the Directors held at the Bank, 18th May 1836.

That in virtue of resolutions passed at the general annual meeting of the shareholders of the Knaresborough and Claro Banking Company, held on the 12th day of November 1834, the Board do this day resolve, that the present subscribed capital of 21,420 *l.*, with the accumulated surplus or reserve fund of 2,607 *l.* 4 *s.* 2 *d.*, be the declared capital of the said company.

In reference to Question No. 14:—

All the shares are yet in the hands of the original holders, except 40, which have been sold to individuals who did not take shares at the first commencement of the banking company.

No. 50.—LEAMINGTON BANK.

No. 50.
Leamington Bank.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Leamington Bank; 12th May 1835.

2.—Number and situation of branches, and distance of each from central bank?
No branch.

3.—Amount of nominal capital?
£. 200,000.

4.—Number of shares, and nominal value of each share?
Ten thousand; 20 *l.* each.

5.—Number of shares issued?
Eight thousand and twenty-five.

6.—Amount

6.—Amount of paid-up capital?
£. 40,125.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
£. 5. per share at the commencement, and in January last made a further call of 5 *l.* per share, to become payable in two equal instalments, viz. on the 26th of April 1837 and on the 8th of August 1837.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Eight per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
11th May 1835; and signed by 176 persons.

12.—Copy of deed of settlement, when it has been printed and published?
One sent with last returns.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of report sent herewith. The accounts are made up on the responsibility of the manager, and are audited by the directors, and may be examined by two auditors appointed by the general meeting of proprietors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post bills are made payable?
Bank post bills are made payable at the London and Westminster Bank; have not issued promissory notes since 11th November 1835.

16.—At what date or sight bank post bills are issued?
Not exceeding seven days' sight or 21 days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
From 2 to 3 per cent. on deposits, and 2½ per cent. on current accounts, subject to a commission, according to the nature of the account.

18.—Variations in such rate, and date of such variations?
Two-and-a-half per cent. was allowed on deposits only, remaining in our hands not less than three months, until July last, when we varied the rate as above stated.

19.—Date to which the account is made up?
31st December 1836.

No. 51.—CHESTERFIELD AND NORTH DERBYSHIRE BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Chesterfield and North Derbyshire Banking Company; 1st January 1834.

2.—Number and situation of branches, and distance of each from central bank?
No branch.

3.—Amount of nominal capital?
£. 250,000.

4.—Number of shares, and nominal value of each share?
Two thousand five hundred shares; 100 *l.* nominal value.

5.—Number of shares issued?
Two thousand three hundred and twenty-eight shares issued.

6.—Amount of paid-up capital?
£. 23,280.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 14th November 1833; 2d call, 16th January 1834; 5 per cent. each; all paid up.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

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Returns from Banking Companies.

No. 51.
Chesterfield and North Derbyshire Banking Company.

9.—Rate of declared dividend?
The first dividend, for the year 1835, 6 per cent.

10.—Variations in rate of dividend, and date of such variations?
The second dividend, for the year 1836, 7 per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st May 1834; 100 have signed.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The accounts are submitted to the board of directors of the bank, who are furnished with a general statement thereof for the annual meeting of the proprietors, and which is then read to them by the chairman. The manager is responsible for their accuracy.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
One hundred and seventy-two shares are yet unappropriated. The bank has a lien on 650 shares for advances made to proprietors.

15.—Places at which promissory notes and bank post bills are made payable?
At the bank at Chesterfield, where issued.

16.—At what date or sight bank post bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent. on deposits, and the same on balances of accounts.

18.—Variations in such rate, and date of such variations?
On deposits for less than six months, 2 per cent. allowed.

19.—Date to which the account is made up?
Made up to 31st December 1836.

No. 52.—HUDDERSFIELD BANKING COMPANY.

No. 52.
Huddersfield Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Huddersfield Banking Company; commenced business 1st June 1827.

2.—Number and situation of branches, and distance of each from central bank?
No branch banks.

3.—Amount of nominal capital?
£. 700,000.

4.—Number of shares, and nominal value of each share?
Seven thousand shares, of 100 *l.* each.

5.—Number of shares issued?
Six thousand five hundred and eighteen.

6.—Amount of paid-up capital?

£. 65,180	–	–	or 10 *l.* on each share.
26,451	11	5	reserved fund and profits, 31st December 1836.
£. 91,631	11	5	

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
June 1827, August 1827 and January 1828; *see* list of dividends sent herewith.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
About 20 forfeited in June 1827, on which nothing had been paid.

9.—Rate of declared dividend?
Twelve-and-a-half per cent., in August 1836, paid.

10.—Variations in rate of dividend, and date of such variations?
See list of dividends made, herewith sent.

11.—Date of deed of settlement and number of persons who have signed such deed?
1st June 1827; signed by 360 shareholders.

12.—Copy

12.—Copy of deed of settlement, when it has been printed and published?
Printed in 1827.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of last report, dated 27th July 1836, herewith sent. A balance account is made out half-yearly by the accountant and manager, in which every account is particularly specified. The reports to the shareholders are grounded upon this balance account; and under the responsibility of the directors the reports are made to the shareholders.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds 260 of its own shares, which it purchased at several sales. The deed of settlement gives the bank a lien on shares where the parties are debtors to the bank; but no money is lent on shares, except on current accounts.

15.—Places at which promissory notes and bank post bills are made payable?
At Huddersfield; and at Messrs. Smith, Payne & Co.'s, London.

16.—At what date or sight bank post bills are issued?
At seven days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, 3½ per cent., without charging commission; on accounts, 4 per cent., charging ¼ per cent. commission.

18.—Variations in such rate, and date of such variations?
The rate has fluctuated from 2½ to the above.

19.—Date to which the account is made up?
31st December 1836, being the last half-yearly balance.

W. W. Stables, Director.
H. Watt, Manager.

No. 53.—NEWCASTLE-UPON-TYNE JOINT STOCK BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Newcastle-upon-Tyne Joint Stock Banking Company; commenced business 2d July 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares, of 25 *l.* each; with power, under certain provisions, to increase the number.

5.—Number of shares issued?
Four thousand and sixty-six shares (4,066).

6.—Amount of paid-up capital?
£. 20,317. 10*s.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

		£.	s.	d.	£.	s.	d.
1836:	July 2, first call of - - - -	2	10	–	10,165	–	–
–	October 24, second call of -	2	10	–	10,152	10	–
		£. 5	–	–	20,317	10	–

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Six per centum per annum.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed.
2d July 1836. Cannot say exactly, the deed being in the country, receiving the signature of the shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
Printed copy sent herewith.

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Returns from Banking Companies.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy, report and account sent herewith. *Vide* deed of settlement, clauses 71 and 92.

No. 53. Newcastle-upon-Tyne Joint Stock Banking Company.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None held by the bank.

15.—Places at which promissory notes and bank post bills are made payable?
Newcastle-upon-Tyne, and at the London and Westminster Bank.

16.—At what date or sight bank post bills are issued?
No bank post bills issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, 3 per cent. per annum; no interest on current accounts.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
To the 18th February 1837.

No. 54.—SUNDERLAND JOINT STOCK BANKING COMPANY.

No. 54. Sunderland Joint Stock Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Sunderland Joint Stock Banking Company; 17th August 1837.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 100,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares, of 10 *l.* each.

5.—Number of shares issued?
Six thousand one hundred and fifteen.

6.—Amount of paid-up capital?
£. 30,575.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
2d August 1836, first payment, 2 *l.* 10 *s.* per share, 15,287 *l.* 10 *s.*; 3d September 1836, second payment, 2 *l.* 10 *s.* per share, 15,287 *l.* 10 *s.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
22d December 1836; in course of signature.

12.—Copy of deed of settlement, when it has been printed and published?
Copy herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of report and account herewith: prepared agreeable to clause 83, page 26, and clause 108, page 38, in the deed of settlement.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None; but the bank has a lien on all shares. *See* clause 121, page 43, of the deed of settlement.

15.—Places at which promissory notes and bank post bills are made payable?
Notes payable in Sunderland; bank post bills payable in London.

16.—At what date or sight bank post bills are issued?
Bills drawn on London bankers at sight, seven days' sight; 14 days' date, 21 days' date and two months' date.

17.—Rate

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17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. per annum.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
31st December 1836.

No. 55.—SADDLEWORTH BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Saddleworth Banking Company, converted from a private bank (established in 1806); 1st March 1833.

2.—Number and situation of branches, and distance of each from central bank?
Two branches (previously occupied by the private bank of Buckleys & Co.); one at Ashton-under-Lyne, distant seven miles; the other at Oldham, distant four miles from the bank at Dolcross.

3.—Amount of nominal capital?
£. 300,000.

4.—Number of shares, and nominal value of each share?
Six thousand, of 50 *l.* each.

5.—Number of shares issued?
4th March 1837, 6,170.

6.—Amount of paid-up capital?
£. 30,850, 4th March 1837, in addition to which the surplus fund and balance of profit and loss amount to 8,131 *l.* 6 *s.* 7 *d.*, making a total of 38,981 *l.* 6 *s.* 7 *d.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up.
Only one call, of 5 *l.* per share, payable 1st May 1833, and all paid.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
For half-year ending 30th June 1835, 5 per cent., being after the rate of 10 per cent. per annum; dividend 30th June 1836, 10 per cent.

10.—Variations in rate of dividend, and date of such variations?
First dividend, 7 ½ per cent. per annum; in 1835 the rate altered to 10 per cent. per annum.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Deed dated 9th September 1833; executed by 127 proprietors.

12.—Copy of deed of settlement, when it has been printed and published?
Sent 7th June 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The reports merely consist of a statement of facts, corresponding with the balance-sheet produced at the annual meeting, for the inspection of shareholders. The books and accounts are kept upon the Scotch plan, made up and examined by the directors monthly, as well as half-yearly, who are responsible to the shareholders for their correctness.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
No shareholder has any claim for an advance in consequence of being a partner in the concern; but the bank has a lien, in case of need, upon the shares of every proprietor, in conformity with the deed of settlement, sec. No. 11. The bank holds 30 of its own shares.

15.—Places at which promissory notes and bank post bills are made payable?
The notes of the bank are paid at all its establishments, and at Messrs. Glyn & Co., bankers, London.

16.—At what date or sight bank post bills are issued?
No bank post bills are issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, 2 ½ per cent. or 3 per cent., subject to a commission of ¼ per cent. on withdrawal; on current accounts, 4 per cent.

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Returns from Banking Companies.

18.—Variations in such rate, and date of such variations?
From 1st December 1836 the rate advanced ½ per cent. on deposits.

19.—Date to which the account is made up?
31st December 1836.

No. 55. Saddleworth Banking Company.

By the conditions upon which the banking company was established, the proprietors of the private bank of Buckleys & Co. were to be allowed time to withdraw and invest their capital, before any further calls should be made upon the shareholders in the banking company.

No. 56.—DARLINGTON DISTRICT JOINT STOCK BANKING COMPANY.

No. 56. Darlington District Joint Stock Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Darlington District Joint Stock Banking Company; commenced 2d January 1832.

2.—Number and situation of branches, and distance of each from central bank?
Four branches; viz. Stockton-on-Tees, 12 miles from central bank at Darlington; Northallerton, 16 miles; Barnard Castle, 16 miles; and Stokesley, 17 miles.

3.—Amount of nominal capital?
£. 400,000.

4.—Number of shares, and nominal value of each share?
Four thousand shares; nominal value, 100 *l.* per share.

5.—Number of shares issued?
Three thousand six hundred and ninety-five.

6.—Amount of paid-up capital?
£. 55,425 at present; will be increased to 73,000 *l.* by payment of a fourth instalment in April.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 5th December 1831; second, 27th February 1832; third, 31st December 1833; amount of each instalment, 5 *l.* per share. A fourth instalment of 5 *l.* per share to be paid on 16th April next.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None forfeited.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?
Answer 9, 10.—At the end of the first year, 1832, no dividend; at the end of the second year, 1833, 11 per cent.; at the end of the third year, 1834, 8 per cent.; at the end of the fourth year, 1835, 10 per cent.; at the end of the fifth year, 1836, 8 per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Date of deed, 2d January 1832; number of persons who have signed it, 285.

12.—Copy of deed of settlement, when it has been printed and published?
Printed copy of deed sent on 28th May 1836; also a copy herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Abstract of the last annual report sent herewith, made by the directors in conformity to clauses 45 and 69 of deed. Accounts of every kind are subjected to the daily audit and examination of the managing directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds none of its own shares except 305 which have not been issued, and consequently not reckoned as capital; but the 15th article of the deed gives a lien over all the shares for any debt due to the company.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes payable at Darlington; and drafts payable in London, with Barclay, Bevan & Co.

16.—At what date or sight bank post-bills are issued?
Twenty-one days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. on both; but except deposits remain three months with the bank no interest is allowed.

18.—Variations in such rate, and date of such variations?
No variation.

19.—Date to which the account is made up?
31st December 1836.

No. 57.—HIBERNIAN JOINT STOCK LOAN COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Hibernian Joint Stock Loan Company; commenced business in June 1825, under a special Act of Parliament.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
£.1,000,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares, of 100 *l.* each.

5.—Number of shares issued?
Ten thousand.

6.—Amount of paid-up capital?
£. 250,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
15th July 1824, 15 *l.* per share; 30th August 1824, 10 *l.* per share; 27th December 1825, 8 ⅓ per cent. on above, to assimilate the currency.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
No shares forfeited.

9.—Rate of declared dividend?
Four per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?
No variation.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Date of deed of settlement, 11th April 1825; signed by 1,063, being all the original proprietors, and who were enrolled in the Court of Chancery.

12.—Copy of deed of settlement, when it has been printed and published?
Copy of deed of settlement sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copies of the last account and report laid before the proprietors sent herewith. Those accounts are submitted by the book-keeper to the board of management, who appoint a sub-committee of their own body to compare them with the books, and to audit and examine them; they are then presented to and received by the proprietary on the responsibility of the signatures of said sub-committee.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds 1,315 shares of its own stock, in its own right, and 53 shares of its own stock, as security for advances.

15.—Places at which promissory notes and bank post-bills are made payable?

16.—At what date or sight bank post-bills are issued?
Answer 15, 16.—No promissory notes or bank post bills.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
No interest paid by the bank on balances of account; 2 ½ per cent. per annum interest paid on deposits remaining three months.

18.—Variations in such rate, and date of such variations?
No variation.

19.—Date to which the account is made up?
1st day of November 1836.

John Fottrell, Governor.
Michael Roach, Secretary.

No. 58.—NORTHERN BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Northern Banking Company; commenced 1st January 1825.

2.—Number and situation of branches, and distance of each from central bank?
Ten branches: Lisburn, 6 miles; Lurgan, 16 miles; Down, 20 miles, Coleraine, 40 miles; Londonderry, 60 miles; Carrickfergus, 8 miles; Ballymena, 20 miles; Magherafelt, 27 miles; Newtown Limavady, 50 miles; Armagh, 30 miles.

3.—Amount of nominal capital?
£. 500,000.

4.—Number

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No. 58.
Northern Banking Company.

4.—Number of shares, and nominal value of each share?
Five thousand shares, of 100 *l.* each.

5.—Number of shares issued?
Four thousand eight hundred and ninety-one; upwards of 5,000 were subscribed for, but only this number allotted.

6.—Amount of paid-up capital?
£. 122,275.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

	£.	s.	d.	
1st January 1825 - - - -	10	–	–	Irish per share.
1st March - - - - -	10	–	–	ditto.
1st December - - - - -	7	1	8	ditto.
Irish - - -	£. 27	1	8	equal to 25 *l.* British.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Present rate, 8 per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?
A dividend of 5 per cent. per annum paid each year until September 1834; in the year 1835 the dividend was 6 per cent.; 1836, 7 per cent.; and 1837, 8 per cent; besides which a bonus of 2*l.* 19*s.* 1 ½ *d.* per share was paid at September 1827, and another of 2*l.* per share was paid at September 1832.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st August 1824; signed by 264 persons.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of last report sent herewith. No statement of accounts has ever been laid before the proprietors; the care of the accounts is entrusted to the directors alone. The report is prepared by the directors and committee, who are responsible for its correctness.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds 10 of its own shares, by the 23d clause of the deed, which they were obliged to take in consequence of the committee objecting to a proposed transfer. By the 22d clause of the deed, the bank has a lien on all shares for any debts due to it by the proprietors.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes are payable only at the places where issued, but are paid at the head bank and at all its branches.

16.—At what date or sight bank post-bills are issued?
No post-bills issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
At present interest is allowed on accounts current, at the rate of 2 per cent. per annum; on deposits remaining three months and not six months, at the rate of 2 ½ per cent., and on those remaining six months or upwards at 3 per cent. per annum.

18.—Variations in such rate, and date of such variations?
The above rates commenced at August last, prior to which time no interest was allowed on accounts current, and only 2 ½ per cent. on deposits.

19.—Date to which the account is made up?
The accounts are made up to the 31st August in each year; the dividends are paid half-yearly, at March and September.

No. 59.—LEAMINGTON PRIORS AND WARWICKSHIRE BANKING COMPANY.

No. 59.
Leamington Priors and Warwickshire Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Leamington Priors and Warwickshire Banking Company; established 1st September 1835.

2.—Number and situation of branches, and distance of each from central bank?
Four: viz. Warwick, 2 ½ miles from Leamington; Banbury, 20 miles; Southam, 7 miles; Kenilworth, 5 miles.

3.—Amount

3.—Amount of nominal capital?
£. 200,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares, of 20 *l.* each.

5.—Number of shares issued?
Three thousand eight hundred and twenty.

6.—Amount of paid-up capital?
£. 22,920.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
The first and only call of 6 *l.* per share made on the establishment of the company.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Twenty-five.

9.—Rate of declared dividend?
£. 6 per cent.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Dated on the establishment of the company, and signed by 109 parties.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet printed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
A printed copy of the report enclosed. The accounts were audited by the board of directors and an auditor.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Only 3,820 shares allotted.

15.—Places at which promissory notes and bank post-bills are made payable?
London, Leamington and Banbury.

16.—At what date or sight bank post-bills are issued?
At the several dates allowed by Act of Parliament.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. on the principal laying a specific time; no interest allowed on current accounts.

18.—Variations in such rate, and date of such variations?
Increased from 2 ½ to 3 per cent. in November 1836.

19.—Date to which the account is made up?
1st January 1837.

No. 60.—WESTERN DISTRICT BANKING COMPANY FOR DEVON AND CORNWALL.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Western District Banking Company for Devon and Cornwall; commenced business 12th September 1836.

2.—Number and situation of branches, and distance of each from central bank?
Five branches: viz. Plymouth, 2 miles; Falmouth, 65 miles; Penzance, 76 miles; Totness, 24 miles; Kingsbridge, 20 miles. *See* Note.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand, of 10 *l.* each.

5.—Number of shares issued?
Ten thousand five hundred and fifteen.

6.—Amount of paid-up capital?
£. 30,600.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
Deposit 2*s.* 6*d.* on subscribing, per share. First instalment of 2 *l.* 10*s.*, due 23d July 1836; second instalment of 2 *l.* 10*s.*, due 21st October 1836. *See* Note.

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No. 60.
Western District Banking Company for Devon and Cornwall.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

Although many instalments are outstanding, no shares have as yet been declared forfeited.

9.—Rate of declared dividend?

No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?

None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

The draft of deed has been prepared, and submitted to counsel, and is now under the inspection of the principal shareholders, the directors being desirous to have their approval before it is engrossed and printed.

12.—Copy of deed of settlement, when it has been printed and published?

A copy shall be furnished without delay, when the deed is printed and published.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

No reports have yet been laid before the proprietary. The examination of the accounts will be entrusted to two confidential directors, and auditors, chosen by the shareholders; and the reports will be prepared under the responsibility of the whole board.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank does not hold any of its own shares in trust or as security for advances. No proprietor can claim to borrow on his shares, nor has money ever been advanced on them. The bank does not hold any shares in its own right, except such as have not been issued, and are therefore not capital.

15. Places at which promissory notes and bank post-bills are made payable?

Devonport, Plymouth, Totness, Kingsbridge, Falmouth and Penzance; and at our agents, the London and Westminster Bank.

16.—At what date or sight bank post-bills are issued?

Drafts are drawn at various periods; sometimes on stamps, when they do not come within the provisions of the Composition Act.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Interest on deposits, 3*l.* per cent. per annum; but no interest allowed on balances of current accounts, except by special agreement, at the same rate.

18.—Variations in such rate, and date of such variations?

No variation has occurred.

19.—Date to which the account is made up?

This account is made up to the 31st December 1836.

Note.—Subsequent to the 31st December 1836, a branch at Truro, distant 52 miles, with an agency attached to it at St. Columb, 45 miles from the central bank, have been opened, and 6,500*l.* added to the previously subscribed capital. Another call of 2*l.* 10*s.* per share has been made on the respective shareholders, payable at the expiration of three months from the date of the call.

No. 61.—SHEFFIELD AND ROTHERHAM JOINT STOCK BANKING COMPANY.

No. 61.
Sheffield and Rotherham Joint Stock Banking Company.

Question. 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—The Sheffield and Rotherham Joint Stock Banking Company; converted 1st July 1836, from the private banks of Walkers & Stanley, at Sheffield and Rotherham (established 1791).

2.—Number and situation of branches, and distance of each from central bank?

A small branch has been opened at Bakewell since 31st December, distant 16 miles from Sheffield, in addition to the original private establishment at Sheffield and Rotherham.

3.—Amount of nominal capital?

£. 600,000.

4.—Number of shares, and nominal value of each share?

Twenty-four thousand shares, at 25*l.* each.

5.—Number of shares issued?

Thirteen thousand two hundred and fifty.

6.—Amount of paid-up capital?

£. 33,125.

7.—Date

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No. 61.
Sheffield and Rotherham Joint Stock Banking Company.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

First call of 2*l.* 10*s.* per share paid 1st July 1836; a second call has been made of 1*l.* 10*s.* per share, due 15th March 1837.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

Seven-and-a-half per cent. for the half-year ending 31st December 1836, and 40 per cent. on the profits carried to a reserved fund.

10.—Variations in rate of dividend, and date of such variations?

Only one dividend made.

11.—Date of deed of settlement, and number of persons who have signed such deed?

1st July 1836; signed by 244 persons.

12.—Copy of deed of settlement, when it has been printed and published?

Copy sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Report and statement (prepared by the directors, and approved of at the general meeting of proprietors) sent herewith.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank holds none of its own shares in trust as security, its advances to customers being regulated entirely by the nature of the accounts and the responsibility of the parties, without reference to the amount of stock held by them.

15.—Places at which promissory notes and bank post-bills are made payable?

At Sheffield or Rotherham; Bakewell notes payable there, or at Messrs. Barclay & Co.'s, but if presented at Sheffield or Rotherham they are paid.

16.—At what date or sight bank post-bills are issued?

None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

On deposits, 2 per cent., if remaining three months; 2½, if remaining six months; 3 per cent, if remaining 12 months or upwards. On balances of current accounts, 2½ per cent., subject to ¼ per cent. commission on payments.

18.—Variations in such rate, and date of such variations?

No variation.

19.—Date to which the account is made up?

31st December 1836.

No. 62.—YORKSHIRE AGRICULTURAL AND COMMERCIAL BANKING COMPANY.

No. 62.
Yorkshire Agricultural and Commercial Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Yorkshire Agricultural and Commercial Banking Company; 4th August 1836.

2.—Number and situation of branches, and distance of each from central bank?

Six branches: viz. Whitby, 48 miles; Driffield, 28 miles; Malton, 18 miles; Hull, 38 miles; Leeds, 24 miles; Pocklington, 13 miles.

3.—Amount of nominal capital?

£. 500,000.

4.—Number of shares, and nominal value of each share?

One hundred thousand, at 5*l.* each.

5.—Number of shares issued?

Twenty-nine thousand one hundred and fifty.

6.—Amount of paid-up capital?

£. 72,875.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

1836, August 6th, 1*l.*, 29,150*l.*; 1837, Feb. 4th, 1*l.* 10*s.*, 43,725*l.*

N. B.—The principle upon which the bank is founded is that of a paid-up capital. The directors intend calling up the remaining 2*l.* 10*s.* per share as occasion may require it.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

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Returns from Banking Companies.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

No. 62. Yorkshire Agricultural and Commercial Banking Company.

4th August 1836. In course of signature, and has already received 293 names. The number of individuals to whom shares have been allotted amount to 795. By the deed of settlement, clause 33, shareholders are required to sign before the 4th August next.

12.—Copy of deed of settlement, when it has been printed and published?
Copy sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
None. Auditors are appointed in terms of the 93d clause of the deed of settlement.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post-bills are made payable?
York, Whitby, Driffield, Malton, Hull, Leeds, Pocklington; and London and Westminster Bank, London.

16.—At what date or sight bank post-bills are issued?
None.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent.

18.—Variations in such rate, and date of such variations?
Three per cent. on deposits, if they remain for six months, upon special agreement.

19.—Date to which the account is made up?
25th February 1837.

Yorkshire Agricultural and Commercial Bank,
York, 6th March 1837.

Wm. Gaskell,
General Manager.

No. 63.—WEST RIDING UNION BANKING COMPANY.

No. 63. West Riding Union Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The present name of the bank is "The West Riding Union Banking Company;" the company was formed in the latter end of 1832, out of the private bank of Messrs. Benjamin Wilson, Sons, & Co., of Mirfield and Huddersfield, which bank had been established upwards of 30 years. The company commenced business 1st January 1833, and continued to carry it on under the name of "The Mirfield and Huddersfield District Banking Company," until 10th October last, when the alteration in the name took place in consequence of an union having taken place between the company and the private bank of Messrs. Hagues, Cook, Wormald & Co., of Dewsbury, which bank had been in existence upwards of a quarter of a century; Mr. John Wilson, the manager of the company, was one of the partners in the said firm of B. Wilson, Sons & Co., and Mr. Benjamin Wilson (another of such late partners) and Messrs. John Hague and Matthew Hale (two of the partners of the said late firm of Messrs. Hagues, Cook, Wormald & Co.) are three of the present board of directors of the company.

2.—Number and situation of branches, and distance of each from central bank?
The company have two banks; one at Huddersfield, the other at Dewsbury, eight miles distant; besides which a person from each of those banks attends at Wakefield (six miles from Dewsbury) on every Friday (being the market-day there), in the same manner as had been the custom of the said firm of B. Wilson, Sons & Co., and Hagues, Cook, Wormald & Co., during the existence of their establishments.

3.—Amount of nominal capital?
£. 2,000,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares, of 100 *l.* each.

5.—Number of shares issued?
Twelve thousand seven hundred and eighty.

6.—Amount of paid-up capital?
£. 63,900.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One call of 5 *l.* per share, at the commencement of the company.

8.—Number

No. 63.
West Riding Union Banking Company.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

Dividends declared:—None for the first year, ending 31st December 1833, but the whole profits of that year carried to the "reserved surplus fund" (*see* article 39, deed of settlement).

For 2d year, ending 31st December 1834, 12 ½ per cent.
For 3d ditto - - ditto - - - 1835, 15 - ditto.
For 4th ditto - - ditto - - - 1836, 10 - ditto.

By article 39, the directors were compelled to divide as dividend all the profits, excepting one-fourth; hence the reason of the large dividends for 1834 and 1835, which large dividends being deemed inexpedient, by the supplementary deed such restriction is rescinded, thereby enabling the directors to lessen the large dividend and to add an increased amount to the surplus fund.

10.—Variations in rate of dividend, and date of such variations?

Answered in No. 9.

11.—Date of deed of settlement, and number of persons who have signed such deed?

Date of original deed of settlement, 12th December 1832; supplementary deed, 1st of September 1836; signed by 386.

12.—Copy of deed of settlement, when it has been printed and published?

Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copies of the last report and accounts laid before the proprietors are sent herewith. The accounts are drawn out by the clerks, under the superintendence of the manager, and submitted to and examined by the board of directors, previous to the annual meeting, and their report founded thereupon. By article 49, the annual meeting have the power of appointing auditors to examine and report on the state of the affairs, but which right circumstances as yet have not required the proprietors to assert.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

Seven thousand two hundred and twenty of the original shares are still unappropriated. By article 2 of the original and supplementary deeds, the directors have power to allot, sell or dispose thereof amongst individuals upon terms likely to promote the interest of the company. By article 24, the directors have a general lien on the shares of such proprietors, for all monies owing by the proprietors to the company; but as the parties' accounts fluctuate from day to day, it is impossible to state the extent of such liens.

15.—Places at which promissory notes and bank post-bills are made payable?

All the promissory notes issued by the company payable to bearer on demand, are dated Huddersfield, and made payable there, and at Messrs. Masterman & Co.'s, the London agents of the company; but such notes are paid, when presented, at either of those places, or at the company's banks at Dewsbury or Wakefield. All bank post-bills are made payable at Messrs. Masterman & Co.'s.

16.—At what date or sight bank post-bills are issued?

On demand, or at sight, 3 or 7 days after date or sight, 10, 14 or 21 days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

On deposits, 3 ½ per cent.; accounts current, 5 per cent., less commission and other usual bankers' charges.

18.—Variations in such rate, and date of such variations?

Up to 1st of October last, the company uniformly allowed 3 per cent. on deposits, and accounts current 4 per cent., less commission and usual charges; from that period, in consequence of the increased value of money, as above.

19.—Date to which the account is made up?

31st December 1836.

No. 64.—STAMFORD, SPALDING AND BOSTON BANKING COMPANY.

No. 64.
Stamford, Spalding and Boston Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Stamford, Spalding and Boston Banking Company; 2d January 1832. *See* last Return.

2.—Number and situation of branches, and distance of each from central bank?

See last Return.

3.—Amount of nominal capital?

See last Return.

4.—Number of shares, and nominal value of each share?

One thousand five hundred shares of 100*l.* each. *See* last Return.

 5.—Number

I. — Returns from Banking Companies.

No. 64. Stamford, Spalding and Boston Banking Company.

5.—Number of shares issued?
One thousand one hundred and two.

6.—Amount of paid-up capital?
£. 44,080.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
See last Return. The additional call there mentioned is in course of payment.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Seven-and-a-half per cent.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Original deed dated 2d January 1832; supplementary deed dated 30th May 1836; 110 persons have signed the original deed; the supplementary deed is in course of being signed.

12.—Copy of deed of settlement, when it has been printed and published?
A copy of the original deed was sent with the last return. The supplementary deed is being printed, and a copy will be sent when completed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Sent herewith. *See* last Return.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank now holds 18 of its own shares, taken of parties under particular circumstances, and which will either be extinguished or granted out to applicants, as may be found advisable. *See* last Return.

15.—Places at which promissory notes and bank post-bills are made payable?
See last Return.

16.—At what date or sight bank post-bills are issued?
Seven days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent. on balances and sums payable on demand, and three per cent. on deposits withdrawable after two months' notice.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
1st March 1837.

No. 65.—THE CENTRAL BANK OF LIVERPOOL.

No. 65. The Central Bank of Liverpool.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Central Bank of Liverpool; 1st August 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£.150,000.

4.—Number of shares, and nominal value of each share?
Fifteen thousand, of 10*l.* each.

5.—Number of shares issued?
Two thousand and ninety-five.

6.—Amount of paid-up capital?
£.5,790.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 8th August, paid-up, 2,095 *l.*; second call, 3d October, 1,880 *l.*; third call, 5th December, 1,815 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None declared.

9.—Rate

9.—Rate of declared dividend?
None made.

10.—Variations in rate of dividend, and date of such variations?
None made.

11.—Date of deed of settlement, and number of persons who have signed such deed?
5th December 1836; signed by 32 proprietors.

12.—Copy of deed of settlement, when it has been printed and published?
Engrossed but not printed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Engrossed but not printed.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The undisposed of shares are held by the bank, to be disposed of to persons who may wish to open accounts.

15.—Places at which promissory notes and bank post-bills are made payable?
None issued.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
No deposits.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
4th March 1837.

James Aspinall, Manager.

No. 66.—BANK OF MANCHESTER.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Bank of Manchester; 25th March 1829.

2.—Number and situation of branches, and distance of each from central bank?
Three branches: Stockport, seven miles from Manchester; Bolton, 12 miles; Newtown, 90 miles.

3.—Amount of nominal capital?
The directors are authorised by the supplementary deed of settlement to fix the nominal capital, but no amount has yet been decided upon.

4.—Number of shares, and nominal value of each share?
One hundred thousand shares.

5.—Number of shares issued?
Seventy-four thousand one hundred and three shares.

6.—Amount of paid-up capital?
£. 741,030 capital paid up, 31st December 1836.
150,348 reserved fund.

£. 891,378 Total.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
See last Report; since which the capital has been increased as above.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Three-and-a-half per cent. for the half-year ending 31st December 1836.

10.—Variations in rate of dividend, and date of such variations?
See last Report for dividend for six years; the seventh year, ending 30th June 1836, 9 per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?
25th March 1829; supplementary deed, 21st May 1836. Present number of proprietors, 638.

12.—Copy of deed of settlement, when it has been printed and published?
A printed copy of the deed was sent with last report; the supplementary deed not printed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

No. 66. Bank of Manchester.

Printed copy of last report sent herewith. For other explanations, *see* last Report.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

None.

15.—Places at which promissory notes and bank post-bills are made payable?

See last Report.

16.—At what date or sight bank post-bills are issued?

See last Report.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

On deposits, 3 per cent.; current accounts, 3 to 4 per cent.

18.—Variations in such rate, and date of such variations?

See last Report.

19.—Date to which the account is made up?

31st December 1836.

Bank of Manchester,
6 March 1837.

E. Burdekin.

No. 67.—HALIFAX JOINT STOCK BANKING COMPANY.

No. 67. Halifax Joint Stock Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?

The Halifax Joint Stock Banking Company; 25th November 1829.

2.—Number and situation of branches, and distance of each from central bank?

Has no branch.

3.—Amount of nominal capital?

£. 500,000.

4.—Number of shares, and nominal value of each share?

Five thousand shares of 100 *l.* each

5.—Number of shares issued?

Four thousand four hundred and fifty shares issued, at 31st December 1836.

6.—Amount of paid-up capital?

£. 44,475, besides a reserved fund of 17,348 *l.* 18 *s.* 3 *d.*, making together 61,823 *l.* 18 *s.* 3 *d.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up.

First call, 5 *l.* per share, payable 12th November 1829, 22,250 *l.*; second call, 5 *l.* per share, payable 16th January 1834, 22,225 *l.* A third call, of 5 *l.* per share, payable 10th June 1837, has been made, which will amount to 22,250 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

Nil.

9.—Rate of declared dividend?

10.—Variations in rate of dividend, and date of such variations?

Answer 9, 10.—Dividend payable 14 February 1831, 6 per cent.

Ditto	16	—	1832, 12½ ditto.
Ditto	23	—	1833, 16 ditto.
Ditto	22	—	1834, 16 ditto.
Ditto	28	—	1835, 12½ ditto.
Ditto	27	—	1836, 12½ ditto.
Ditto	4	March	1837, 14 ditto.

11.—Date of deed of settlement, and number of persons who have signed such deed?

5th November 1829; signed by 222 individuals.

12.—Copy of deed of settlement, when it has been printed and published?

Copy of deed sent with former return.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared.

Copy of last annual report sent herewith. Accounts are made up under the superintendence and direction of the manager and cashier, examined and audited by a committee of shareholders chosen for the purpose.

14.—Statement

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The unappropriated shares, in number 550, are held by the bank, in trust for the general benefit of the shareholders at large.

15.—Places at which promissory notes and bank post-bills are made payable?
At Halifax; and in London, at Messrs. Jones, Loyd & Co.

16.—At what date or sight bank post-bills are issued?
At seven days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?
Answer 17, 18.—Three per cent. per annum is the rate which has been uniformly paid on permanent deposits up to 30th September 1836; since then 3 ½ per cent. per annum is allowed. On fluctuating balances the rate varies, according to the nature of the account, from 3 to 4 per cent.

19.—Date to which the account is made up?
6th March 1837.

John Caw, Manager.

No. 68.—PARES'S LEICESTERSHIRE BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Pares's Leicestershire Banking Company, carried on as a private bank since 1800; converted into a joint stock bank 19th March 1836.

2.—Number and situation of branches, and distance of each from central bank?
No permanent branches. Offices open on market and fair days at Hinckley, 13 miles; Loughborough, 11 miles; Melton Mowbray, 15 miles distant from the bank at Leicester.

3.—Amount of nominal capital?
£. 100,000.

4.—Number of shares, and nominal value of each share?
Eight thousand shares, 12 *l.* 10 *s.* each.

5.—Number of shares issued?
Six thousand five hundred and forty.

6.—Amount of paid-up capital?
£. 16,350, being 20 *l.* per cent. paid on issue of shares.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
£. 16,350 paid as above; 16,350 *l.* further, being 20 *l.* per cent., called on 1st February.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
£. 10 per cent.

10.—Variations in rate of dividend, and date of such variations?
Only one yet made.

11.—Date of deed of settlement, and number of persons who have signed such deed?
12th March 1836; 48 persons have signed.

12.—Copy of deed of settlement; when it has been printed and published?
Deed not printed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Report sent herewith. The account was made out by the manager, and particularly examined and verified by the chairman and other managing directors, and then laid before the board of directors. The proprietors have the power of appointing auditors for the purpose of further examination, but have not yet exercised it.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None, except 1,460 not yet issued.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes are made payable at Leicester and in London.

No. 68. Pares's Leicestershire Banking Company.

16.—At what date or sight bank post-bills are issued?
No bank post-bills are issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?
Answer 17, 18.—Until 1830, 3 per cent.; then reduced to 2 per cent.; in 1832, raised to 2½ per cent., and since continued thereat.

19.—Date to which the account is made up?
31st December 1836.

No. 69.—LANCASTER BANKING COMPANY.

No. 69. Lancaster Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—*See* our returns made to the Committee last Session.

2.—Number and situation of branches, and distance of each from central bank?
See our returns made to the Committee last Session.

3.—Amount of nominal capital?
See our returns made to the Committee last Session.

4.—Number of shares, and nominal value of each share?
See our returns made to the Committee last Session.

5.—Number of shares issued?
See our returns made to the Committee last Session.

6.—Amount of paid-up capital?
£. 60,750, exclusive of 15,231*l.* 10*s.* 2*d.*, our present reserved fund.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
See our returns made last Session; since which we have transferred from the reserved fund 5*l.* per share, in augmentation of the paid capital, which now amounts to 25*l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
See our returns made last Session.

9.—Rate of declared dividend?
Ten per cent for the past year.

10.—Variations in rate of dividend, and date of such variations?
See our returns made last Session.

11.—Date of deed of settlement, and number of persons who have signed such deed?
See our returns made last Session.

12.—Copy of deed of settlement, when it has been printed and published?
See our returns made last Session.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
A copy of the last report is annexed hereto; for the rest, *see* our former returns.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
See our returns made last Session.

15.—Places at which promissory notes and bank post-bills are made payable?
See our returns made last Session.

16.—At what date or sight bank post-bills are issued?
See our returns made last Session.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
See our returns made last Session.

18.—Variations in such rate, and date of such variations?
See our returns made last Session.

19.—Date to which the account is made up?
To the present time.

For the Lancaster Banking Company,

Lancaster, 4 March 1837. *John Coulston*, Manager.

No. 70.—WARWICK AND LEAMINGTON BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Warwick and Leamington Banking Company; commenced the 1st September 1834, on the foundation of Messrs. Tomes & Russell, from whom the business was purchased.

2.—Number and situation of branches, and distance of each from central bank?
Three banks: viz. Warwick; Leamington, two miles; and Stratford-on-Avon, eight miles from Warwick. Two agencies: Southam, nine miles; and Henley-in-Arden, nine miles from Warwick.

3.—Amount of nominal capital?
£. 250,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares, of 25 *l.* each.

5.—Number of shares issued?
Six thousand five hundred and eighty.

6.—Amount of paid-up capital?
£. 32,900 *l.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
Only the original call of 5 *l.* per share on the opening of the bank.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Ten.

9.—Rate of declared dividend?
Eight per cent.

10.—Variations in rate of dividend, and date of such variations?
Six per cent. on the 30th June 1835, and 8 per cent. on the 30th June 1836.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st September 1834; signed by 142 subscribers.

12.—Copy of deed of settlement, when it has been printed and published?
Copy of deed of settlement was furnished last year.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copies of last account and report are now furnished; they were prepared by the accountant, under the superintendence of an auditor attached to the company, and under the responsibility of the board of directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds in its own right 45 shares, purchased of distant proprietors.

15.—Places at which promissory notes and bank post-bills are made payable?
The promissory notes and bank post-bills are all payable in London, and the promissory notes are also payable at the several branches of the establishment.

16.—At what date or sight bank post-bills are issued?
At or under 21 days' date, and at or under seven days' sight, to suit the convenience of customers.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
The rate allowed by the bank varies from 2 to 2 ½ per cent., according to the period for which money is deposited; but in some instances, latterly, the rate has been increased to 3 per cent.: this is the utmost that has been allowed.

18.—Variations in such rate, and date of such variations?
The increase to 3 per cent., as mentioned above, has taken place within the last three months.

19.—Date to which the account is made up?
31st December 1836.

For the Warwick and Leamington Banking Company,
W. Thompson, Manager.

No. 71.—GLOUCESTERSHIRE BANKING COMPANY.

— I. —
Returns from Banking Companies.

No. 71.
Gloucestershire Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Gloucestershire Banking Company; 2d July 1831.

2.—Number and situation of branches, and distance of each from central bank?
Five, viz.:—Tewkesbury, 10 miles; Cheltenham, 8 miles; Stroud, 8 miles; Newnham, 12 miles; Evesham, 24 miles.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Ten thousand of 50 *l.* each.

5.—Number of shares issued?
The whole 10,000.

6.—Amount of paid-up capital?
£. 100,000; beyond which there is a guarantee fund of 20,709 *l.* 13 *s.* 3 *d.*, arising from surplus profits.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
2d July 1831, 5 *l.* per share; 20th January 1836, 2 *l.* 10 *s.* per share; 20th July 1836, 2 *l.* 10 *s.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Six per cent. for the year ending 1st July 1832; 10 per cent. for the years ending 1st July 1833, 1834, 1835 and 1836.

10.—Variations in rate of dividend, and date of such variations?
An increase for the year ending 1st July 1833, of four per cent., and following years, as above; no other alteration.

11.—Date of deed of settlement, and number of persons who have signed such deed?
2d July 1831; signed by all the original proprietors, in number amounting to about 300.

12.—Copy of deed of settlement, when it has been printed and published?
At the opening of the bank, 1st July 1831, and enrolled in the High Court of Chancery, 22d June 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of reports enclosed; accounts prepared by the managers of each branch, and afterwards audited and examined by the superintendent and three of the directors, specially appointed by the board, who go through the whole of the statements and satisfy themselves that the business is in a sound and satisfactory state.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Two hundred and ninety, purchased by the company from distant shareholders to supply parties who keep accounts with the bank in the district.

15.—Places at which promissory notes and bank post-bills are made payable?
The company have withdrawn all their promissory notes, except at Evesham, which are payable at Messrs. Williams, Deacon & Co.; bank post-bills are made payable in London.

16.—At what date or sight bank post-bills are issued?
At seven days' sight and 21 days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half and three per cent. on deposits; and on some running accounts, interest allowed at 2 ½ per cent.

18.—Variations in such rate, and date of such variations?
The above-mentioned rate of interest was increased from 2 ½ to 3 per cent., within this last three months.

19.—Date to which the account is made up?
31st December 1836.

William Russell Skey, Manager.

No. 72.—THE SWALEDALE AND WENSLEYDALE BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Swaledale and Wensleydale Banking Company, converted on the 2d January 1837, from the private bank of Messrs. Hutton, Other & Co., to a joint stock bank, and commenced business on that day.

2.—Number and situation of branches, and distance of each from central bank?
Two branches, viz.:—Richmond, 9 miles, and Bedale, 11 miles; also one agency at Hawes, 17 miles from Leyburn, the central bank.

3.—Amount of nominal capital?
£.400,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares, of 20 *l.* each.

5.—Number of shares issued?
Ten thousand five hundred and thirty.

6.—Amount of paid-up capital?
£.26,325.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
The first instalment of 2 *l.* 10 *s.* per share was directed to be paid between the 1st and 24th of December 1836, per circular dated in September 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None; the bank having only commenced business two months ago.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
2d January 1837, and signed by 156 shareholders, and is still in course of signature.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet printed; if required, a copy will be sent.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No reports or accounts have yet been laid before the proprietors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds none of its own shares or stock, either in trust, as security for advances, or in its own right; yet the deed of settlement gives a lien on them to the bank, in case it is required.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes are payable at Leyburn, Richmond and Bedale; no bank post-bills are issued; the bank draws drafts on their London bankers, Messrs. Hankey & Co., at various dates, under the Stamp Composition Act, and at not exceeding two months' date or sixty days' sight, on stamps.

16.—At what date or sight bank post-bills are issued?
See 15.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposits, 3 per cent., but nothing allowed if the money does not remain three months; on balances of account the rate paid does not exceed 3 per cent., varying according to the nature of the account.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
4th March 1837.

W. Ware,
Manager for Leyburn and Bedale.

No. 73.—NORTH OF ENGLAND JOINT STOCK BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—North of England Joint Stock Banking Company; commenced business 1st December 1832.

2.—Number and situation of branches, and distance of each from central bank?

Seven, viz.,	Sunderland,	-	- 12	miles from the parent bank.	
	North Shields	-	- 7	ditto	- ditto.
	South Shields	-	- 7	ditto	- ditto.
	Berwick	-	- 60	ditto	- ditto.
	Morpeth	-	- 14	ditto	- ditto.
	Hexham	-	- 20	ditto	- ditto.
	Durham	-	- 14	ditto	- ditto.

3.—Amount of nominal capital?
£. 400,000; the original nominal capital of 2,000,000 *l.* was reduced to this sum at a general meeting of the shareholders, held on the 16th August 1836.

4.—Number of shares, and nominal value of each share?
20,000 shares of 20 *l.* each.

5.—Number of shares issued?
Sixteen thousand.

6.—Amount of paid-up capital?
£. 240,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

Three calls, viz.,	1st December 1832,	80,000
	30th June 1833,	80,000
	8th January 1834,	80,000
		£. 240,000

At a general meeting, held on the 15th February 1837, a further call of 5 *l.* per share, amounting to 80,000 *l.*, was ordered, which is now in course of payment.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Three per cent.; 3 *l.* 6 *s.* per cent., and 2 *l.* 16 *s.* 8 *d.* per cent.

10.—Variations in rate of dividend, and date of such variations?
Three per cent. for the half year ending 31st December 1833; 3 *l.* 6 *s.* per cent. for the year ending 31st December 1835; and 2 *l.* 16 *s.* 8 *d.* per cent. for the year ending 31st December 1836.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Dated 14th November 1832; the number of shareholders who have signed the deed of settlement is 427; in the last return, the number stated as having signed the deed was 629: this error was from misconception, by introducing into that number those who had signed deeds of covenants, binding themselves to abide by the deed of settlement.

12.—Copy of deed of settlement, when it has been printed and published?
A copy of the deed of settlement was sent with the former return.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copies of the two last half yearly reports and accounts laid before the shareholders at the general meetings, held in August and February last, sent herewith; the accounts are made up half-yearly by the officers in the bank, under the superintendence of the board of directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds no shares of its own; there are 4,000 original shares which were never allotted; see questions Nos. 4 & 5. The deed of settlement gives the bank a lien upon all shares for debts due from the shareholders; *see* deed of settlement, article 15.

15.—Places at which promissory notes and bank post-bills are made payable?
The bank does not issue post-bills; its notes are payable at Newcastle only, but when presented at the different branches are always paid.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

The general rate of interest allowed is 3 per cent., but occasionally special bargains are made for large sums at a different rate.

18.—Variations in such rate, and date of such variations?

Allowed 2½ per cent. on deposits, from the commencement of the bank to 1st September 1835; from that date to the present period at the rate of 3 per cent. per annum.

19.—Date to which the account is made up?

31st December 1836.

No. 74.—NORTH AND SOUTH WALES BANK.

Question 1.—Name of the joint stock bank, and date of commencing business?

North and South Wales Bank; head office, Liverpool; 16th May 1836.

2.—Number and situation of branches, and distance of each from central bank?

List of the Branches of the North and South Wales Bank in operation at the 25th February 1837, with the distance of each from the Head Office, Liverpool.

BRANCH.	COUNTY.	DISTANCE.
Dolgelly	Merionethshire	73 miles.
Pwllheli	Carnarvonshire	90 —
Welshpool	Montgomeryshire	59 —
Oswestry	Shropshire	43 —
Ruthin	Denbighshire	30 —
Chester	Cheshire	16 —
Carnarvon	Carnarvonshire	74 —
Denbigh	Denbighshire	38 —
Mold	Flintshire	22 —
Aberystwith	Cardiganshire	109 —
Wrexham	Denbighshire	27 —
Bangor	Carnarvonshire	65 —
Holywell	Flintshire	26 —

List of the Sub-Branches of the North and South Wales Bank.

SUB-BRANCH.	UNDER-BRANCH.	
Machynlleth Festiniog Bala	Dolgelly	These sub-branches are under the respective branches named, and business transacted thereat on certain market days and fairs.
Llanidloes Bishop's Castle Newtown	Welshpool	
Llanfyllin	Oswestry	
Llangefin Holyhead	Bangor	
Llanrwst	Denbigh	

3.—Amount of nominal capital?

£.600,000.

4.—Number of shares, and nominal value of each share?

Sixty thousand shares, of 10 *l.* each.

5.—Number of shares issued?

Twenty-one thousand six hundred and five.

6.—Amount of paid-up capital?

£.150,360.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

1st call, due 19th March 1836, 21,585 *l.*; 2nd call, due 1st June 1836, 32,365 *l.*; 3rd call, due 1st September 1836, 52,787 *l.* 10 *s.*; 4th call, due 2d January 1837, 43,622 *l.* 10 *s.*

 8.—Number

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8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

Twenty shares.

9.—Rate of declared dividend?

Nil.

10.—Variations in rate of dividend, and date of such variations?

Nil.

11.—Date of deed of settlement, and number of persons who have signed such deed?

Dated 1st June 1836. The number of persons who have signed the original deed 627; the number of proprietors, at 25th February 1837, 560.

12.—Copy of deed of settlement, when it has been printed and published?

Copy herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

No report yet made.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

On advanced accounts, 550 shares; in its own right, 115.

15.—Places at which promissory notes and bank post-bills are made payable?

At the branches, and in London.

16.—At what date or sight bank post-bills are issued?

None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Varies from 2 to 5 per cent., with a charge of ¼ per cent. on current accounts.

18.—Variations in such rate, and date of such variations?

Nil.

19.—Date to which the account is made up?

25th February 1837.

8 March 1837. *Thos. A. Corlett*, General Manager.

No. 75.—THE LEICESTERSHIRE BANKING COMPANY.

No. 75. The Leicestershire Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—The Leicestershire Banking Company; commenced business the 1st September 1829.

2.—Number and situation of branches, and distance of each from central bank?

Four branches, viz., Hinckley, 13 miles from Leicester; Market Harborough, 15 miles from Leicester; Ashby-de-la-Zouch, 17 miles from Leicester; Melton Mowbray, 15 miles from Leicester.

3.—Amount of nominal capital?

£. 500,000.

4.—Number of shares, and nominal value of each share?

Five thousand shares, 100 *l.* each.

5.—Number of shares issued?

Three thousand two hundred and sixty-six, to the 31st December 1836, and thirty shares during the present year.

6.—Amount of paid-up capital?

£. 48,990 to 31st December 1836.
450 since the above date.

£. 49,440

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

First call, 6th of August 1829, 5 *l.* per share; second call, 1st January 1830, 5 *l.* per share; Third call, 15th January 1835, 5 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

Eight per cent.

10.—Variations in rate of dividend, and date of such variations?

January 1831, 4 per cent.; January 1832, 4½ per cent.; January 1833, 4½ per cent.; January 1834, 5 per cent.; January 1835, 6 per cent.; January 1836, 7½ per cent.; January 1837, 8 per cent.

11.—Date

11.—Date of deed of settlement, and number of persons who have signed such deed?

Deed of settlement dated 6th August 1829; signed by 144 persons.

12.—Copy of deed of settlement, when it has been printed and published?

Deed of settlement printed prior to the bank commencing business, and a copy delivered to every shareholder on his or her signing the deed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copies of the last report and accounts laid before the proprietors sent herewith; the half-yearly accounts are audited, examined, and signed by at least three of the directors, in accordance with the 20th article of the company's deed of settlement; and the reports are prepared by the manager to the company, and submitted to a full board of directors for their approval.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

No advance made on account of stock held by a proprietor, nor held in its own right; but the company have a lien on the shares by the 55th article of the deed of settlement.

15.—Places at which promissory notes and bank post-bills are made payable?

Promissory notes are made payable at the London and Westminster Bank, London; Leicester, Market Harborough, Ashby-de-la-Zouch, and Melton Mowbray; bank post-bills at the London and Westminster Bank only.

16.—At what date or sight bank post-bills are issued?

Not exceeding 21 days' date or 7 days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Two-and-a-half per cent. on deposit accounts, and 3 per cent. on current accounts, subject to a commission on the debits.

18.—Variations in such rate, and date of such variations?

None.

19.—Date to which the account is made up?

30th day of June, and 31st day of December.

No. 76.—SHEFFIELD AND HALLAMSHIRE BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Sheffield and Hallamshire Bank; 23rd May 1836.

2.—Number and situation of branches, and distance of each from central bank?

None.

3.—Amount of nominal capital?

£.1,000,000.

4.—Number of shares, and nominal value of each share?

Fifty thousand 20*l.* shares.

5.—Number of shares issued?

23rd May 1836, 18,827; 30th September, 24,837, and 31st December, 24,882.

6.—Amount of paid-up capital?

23rd May 1836, 47,067*l.* 10*s.*; 30th September, 62,092*l.* 10*s.*; 31st December, 62,205*l.*, and 28th February, 112,350*l.*, and 8th May, 114,057*l.* 10*s.*

7.— Date of the several calls for paid-up capital, and amount of the several instalments paid up?

14th May 1836, and 23rd January 1837, 2*l.* 10*s.* per share each call.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

None yet declared.

10.—Variations in rate of dividend, and date of such variations?

None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

23rd May 1836; 604 shareholders have signed.

12.—Copy of deed of settlement, when it has been printed and published?

Printed, 27th January 1837; published, February and March 1837.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

None yet made.

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No. 76.
Sheffield and Hallamshire Bank.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank has a lien upon all shares, agreeably to the deed of settlement.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes at Sheffield; drafts, at and under 21 days' date, at Sir R. Carr Glyn, Bart. & Co.'s.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent. on current balances; 2½ per cent. for three months; 3½ per cent. for six months, and 4 per cent. for one year and upwards, on deposits.

18.—Variations in such rate, and date of such variations?
No variation on current balances; but upon deposits ½ per cent. more for three months, 1 per cent. more for six months, and 1 per cent. more for one year and upwards, commencing from 1st October 1836.

19.—Date to which the account is made up?
31st December 1836.

Richard Burkinshaw, Manager.

No. 77.—HALIFAX AND HUDDERSFIELD UNION BANKING COMPANY.

No. 77.
Halifax and Huddersfield Union Banking Company.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—The Halifax and Huddersfield Union Banking Company; carried on as a private bank, under the firm of John William and Christopher Rawson & Co., at Halifax, from 1812, and at Halifax and Huddersfield from 1816 to 1st July 1836, when it was converted into a joint stock bank at those places.

2.—Number and situation of branches, and distance of each from central bank?
No branches, the business being carried on as theretofore at Halifax and Huddersfield only, those places being distant from each other eight miles.

3.—Amount of nominal capital?
£.500,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares of 25 *l.* each.

5.—Number of shares issued?
Sixteen thousand seven hundred and fifty-five.

6.—Amount of paid-up capital?
£.83,775.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
1st July 1836, 5 *l.* per share; first and only call.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
According to the deed of settlement, the dividend is to be declared annually; so that no dividend will be made until 30th June 1837.

10.—Variations in rate of dividend, and date of such variations?
See Answer to No. 9.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st July 1836; deed signed by 361 persons.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
According to the deed of settlement, the reports are to be made annually.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds none of its own shares or stock, either in trust or in its own right, except the shares not as yet issued, namely, 3,245; and also except so far as the 141st article of the deed of settlement gives the bank a lien on the shares of proprietors for all debts and liabilities owing by them to the bank, but which lien ceases on such debts and liabilities being discharged.

15.—Places

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes at Halifax and Huddersfield, and, for notes of 10 *l.* and 20 *l.*, in London also. No bank post-bills are issued.

16.—At what date or sight bank post-bills are issued?
Vide Answer to No. 15.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. on permanent deposits; and on balances of account current, 3 and 4 per cent., according to the nature and terms of the account.

18.—Variations in such rate, and date of such variations?
Vide Answer to No. 17.

19.—Date to which the account is made up?
31st December 1836.

Christopher Rawson.

No. 78.—LEEDS AND WEST RIDING BANKING COMPANY.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—Leeds and West Riding Banking Company; commenced business 27th October 1835.

2.—Number and situation of branches, and distance of each from central bank?
One branch, viz. Bradford, 10 miles from head office; and three agencies, viz. Harrogate, 15 miles from head office, Heckmondwike, 10 miles from head office, and Pudsey, 7 miles from head office. The agency at Harrogate will be discontinued this month.

3.—Amount of nominal capital?
£.400,000.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares, 20 *l.* each.

5.—Number of shares issued?
Eleven thousand nine hundred and ninety-five.

6.—Amount of paid-up capital?
£.67,725. 11*s.* 6*d.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One call on the establishment of the company, viz. 27th October 1835, of 5 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Eight per cent.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
27th January 1836, and signed by 219 shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
A copy of the first and only report laid before the proprietors is sent herewith. The examination of the accounts antecedent to the preparing the report, and on which the same is founded, was entrusted to the directors generally, who are of course responsible for the statements contained therein.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds no shares in its own right or in trust, or as security for advances, except by the general lien clause, as per deed.

15.—Places at which promissory notes and bank post-bills are made payable?
Notes are payable at Leeds and Bradford, and at Messrs. Williams, Deacon & Co.'s, London, bankers.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three-and-a-half per cent. on deposits, and generally 2 ½ per cent. on balances of current account; but the latter is subject to variation, being frequently a matter of arrangement

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with the several customers of the bank, and depending on their respective accounts and the aggregate amount of the balance in the hands of the bank.

18.—Variations in such rate, and date of such variations?

Prior to 1st October 1836, 3 per cent. was allowed on deposits, and 2 per cent. on balances of current accounts; subject, nevertheless to the same remark as in the answer given to Question 17.

No. 78. Leeds and West Riding Banking Company.

19.—Date to which the account is made up?

31st December 1836.

By order of the Board of Directors,

Leeds, 8 March 1837. *Geo. Smith*, jun., Manager.

No. 79.—ULSTER BANKING COMPANY.

No. 79. Ulster Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Ulster Banking Company; commenced business 1st July 1837.

2.—Number and situation of branches, and distance of each from central bank?

Eleven branches, viz. Comber, 6 miles; Antrim, 13 miles; Lurgan, 18 miles; Portadown, 22 miles; Downpatrick, 22 miles; Banbridge, 20 miles; Tandragee, 25 miles; Armagh, 30 miles; Ballymoney, 37 miles; Monaghan, 42 miles; Enniskillen, 70 miles.

3.—Amount of nominal capital?

£.1,000,000.

4.—Number of shares, and nominal value of each share?

One hundred thousand shares of 10*l.* each.

5.—Number of shares issued?

Eighty-one thousand eight hundred and fifty shares.

6.—Amount of paid-up capital?

£.204,325.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

First call, 12th April 1836 - - -	£. 81,850
Second call, 9th July 1836 - - - -	122,475
	£. 204,325

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

None yet struck; not due till 1st September 1837.

10.—Variations in rate of dividend, and date of such variations?

No dividends yet made.

11.—Date of deed of settlement, and number of persons who have signed such deed?

Dated 1st April 1836; signed by 802 persons.

12.—Copy of deed of settlement, when it has been printed and published?

Copy of deed of settlement sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

No accounts yet laid before proprietors. Accounts subject to be audited by a committee of seven proprietors of 200 shares or upwards, who are chosen annually. *See* deed of settlement.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

No shares held by the bank, either on its own account or in trust; but it will be seen, by answer to Question No. 5, that 18,150 shares are unissued.

15.—Places at which promissory notes and bank post-bills are made payable?

Promissory notes payable at each branch where issued respectively; no bank post-bills issued.

16.—At what date or sight bank post-bills are issued?

None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Three per cent. paid on deposits; 2 per cent. paid on balances of accounts.

18.—Variations

18.—Variations in such rate, and date of such variations?
Up till 9th August 1836, no interest paid on balances of accounts, and 2½ per cent. paid on deposits.

19.—Date to which the account is made up?
28th February 1837.

John Heron, } Managing Directors.
R. Grimshaw, }
John E. Sloan, Cashier.
W. G. Henderson, pro Accountant.

No. 80.—NORTHUMBERLAND AND DURHAM DISTRICT BANK.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Northumberland and Durham District Bank; date of commencing business, 1st 6th mo (June) 1836.

2.—Number and situation of branches, and distance of each from central bank?
Sunderland, 12 miles; North Shields, 8 miles; South Shields, 8 miles.

3.—Amount of nominal capital?
£.500,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand shares of 10 *l.* each; but no person to hold less than five shares. *See* deed of settlement, art. 6.

5.—Number of shares issued?
Twenty-four thousand eight hundred and sixty; and 2,250, in addition, agreed for, but not yet paid up.

6.—Amount of paid-up capital?
£.123,812. 10 *s.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

10th 6th mo. (June) 1836 - - -	£.	2	10 –
10th 8th mo. (August) 1836 - -		2	10 –
	£.	5	– –

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Eight per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st 7th mo. (July) 1836; signed by 220 persons.

12.—Copy of deed of settlement, when it has been printed and published?
Copy herewith sent.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No meeting of the proprietors has been held since the bank commenced business, nor has any report or statement been yet laid before them. *See* deed of settlement, articles 71 and 95.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds none of its own stock, and the deed of settlement provides that no advances are to be allowed thereon, but so that this provision shall not prejudice the lien of the bank upon the shares. *See* deed of settlement, article 68.

15.—Places at which promissory notes and bank post-bills are made payable?
None issued.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account.
Three per cent. on deposits and such balances of accounts as bear interest.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
8th 3d mo. (March) 1837.

No. 81.—BIRMINGHAM BANKING COMPANY.

No. 81. Birmingham Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Birmingham Banking Company; the company commenced business 1st October 1829.

2.—Number and situation of branches, and distance of each from central bank?
Nil.

3.—Amount of nominal capital?
£.500,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares of 50 *l.* each.

5.—Number of shares issued?
Ten thousand shares.

6.—Amount of paid-up capital?
£.50,000. Besides this sum, there are surplus profits, amounting to 40,010 *l.* 16 *s.* 10 *d.*, having the effect of so much additional capital.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One call of 5 *l.* per share, made 1st October 1829, producing 50,000 *l.*; but arrangements are in progress for making the capital paid up to 200,000 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Nil.

9.—Rate of declared dividend?
Ten per cent. per annum on the paid-up capital.

10.—Variations in rate of dividend, and date of such variations?
Invariable.

11.—Date of deed of settlement, and number of persons who have signed such deed?
First day of October 1829.

12.—Copy of deed of settlement, when it has been printed and published?
Copy of deed of settlement sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of annual report sent herewith. The accounts are audited by three directors appointed by the board; and the report is prepared under the responsibility of that board, which consists of 12 directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Four hundred and three shares, which reverted to the company principally as securities, and which have since been disposed of. This company have a general lien on shares for any advances, as provided for by clause 53 in the deed of settlement.

15.—Places at which promissory notes and bank post-bills are made payable?
Bank post-bills payable at Messrs. Jones, Loyd & Co's.

16.—At what date or sight bank post-bills are issued?
At seven days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
From 2 ½ to 4 per cent., regulated in some measure by the value of money in London, and by the condition on which the deposit is made.

18.—Variations in such rate, and date of such variations?
As explained in answer No. 17.

19.—Date to which the account is made up?
31st December 1836.

W. Beaumont, Manager.

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No 82.—BELFAST BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—The Belfast Banking Company; 1st August 1827.

2.—Number and situation of branches, and distance of each from central bank?
Twenty branches; viz.

Armagh	county Armagh	30	miles from central bank.	
Aughnacloy	—	Tyrone	52	—
Banbridge	—	Down	39	—
Ballymena	—	Antrim	24	—
Ballymoney	—	Ditto	20	—
Coleraine	—	Derry	45	—
Cookstown	—	Tyrone	49	—
Derry	—	Derry	69	—
Dungannon	—	Tyrone	39	—
Larne	—	Antrim	17	—
Lurgan	—	Armagh	17	—
Letterkenny	—	Donegal	96	—
Monaghan	—	Monaghan	42	—
Magherafelt	—	Derry	28	—
Portadown	—	Armagh	20	—
Strabane	—	Tyrone	83	—
Stewartstown	—	Ditto	45	—
Tandragee	—	Armagh	26	—
Newtownards	—	Down	7	—
Newtown Limavady	—	Derry	57	—

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Five thousand shares at 100 *l.* per share.

5.—Number of shares issued?
Five thousand shares.

6.—Amount of paid-up capital?
£. 125,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
1st August 1827, 10 *l.* per share paid up; 1st August 1828, 10 *l.* per share paid up; 1st August 1829, 5 *l.* per share paid up.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Five, six and seven per cent. per annum; in addition to which, a bonus of 20,000 *l.* was divided amongst the proprietors.

10.—Variations in rate of dividend, and date of such variations?
5 per cent. per annum from 1st August 1827 till 1st February 1835.
6 per cent. - ditto - 1st February 1835 till 1st February 1836.
7 per cent. - ditto - 1st February 1836 till 1st February 1837.

11.—Date of deed of settlement, and number of persons who have signed such deed?
2d July 1827; signed by 337 persons.

12.—Copy of deed of settlement, when it has been printed and published?
Copy of deed sent herewith; printed and published immediately after being perfected in 1827.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy sent herewith.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Fourteen shares of the company's stock held in trust for the bank, and three shares held as security for advances.

15.—Places at which promissory notes and bank post-bills are made payable?
The notes are made payable at place of issue, and are freely paid in gold at the company's branches, at head bank, and also in Dublin. No post-bills issued.

16.—At what date or sight bank post-bills are issued?
None issued.

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17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Two-and-a-half and 3 per cent. per annum paid on deposits, and 2 and 3 per cent. on balances of account.

18.—Variations in such rate, and date of such variations?

No. 82.
Belfast Banking Company.

Interest on deposits from 1st August 1827 till 1st February 1829, 3 per cent.; from 1st February 1829 till 1st August 1836, 2 ½ per cent.; and from 1st August 1836 till 1st February 1837, 3 per cent. per annum, provided the money lay six months in the bank; should the money be drawn before the expiration of that time, interest allowed at 2 ½ per cent. per annum. Interest on balances of account, from 1st August 1827 till 1st August 1829, 2 per cent.; and from 1st August 1836 till 1st February 1837, 2 and 3 per cent. per annum.

19.—Date to which the account is made up.

To 1st February 1837.

No. 83.—YORKSHIRE DISTRICT BANK.

No. 83.
Yorkshire District Bank.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Yorkshire District Bank; 1st August 1834.

2.—Number and situation of branches, and distance of each from central bank?

Head office at Leeds, and 19 branches, as follows: York, 24 miles from Leeds; Bradford, 10 ditto; Hull, 54 ditto; Pontefract, 13 ditto; Sheffield, 33 ditto; Knaresborough, 18 ditto; Halifax, 18 ditto; Ripon, 27 ditto; Doncaster, 28 ditto; Huddersfield, 16 ditto; Selby, 20 ditto; Beverley, 52 ditto; Thirsk, 37 ditto; Dewsbury, 8 ditto; Malton, 43 ditto; Barnsley, 19 ditto; Richmond, 52 ditto; Wakefield, 9 ditto; Settle, 48 ditto. The average being 28 miles, and all of them within the county of York.

3.—Amount of nominal capital?

£. 1,000,000.

4.—Number of shares and nominal value of each share?

Fifty thousand shares at 20*l.* each, with power, under certain provisions, to increase the number to 100,000.

5.—Number of shares issued?

Thirty-seven thousand eight hundred and eleven.

6.—Amount of paid-up capital?

£. 389,985.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

1834: August 1st, 2*l.* 10*s.*	£.	94,527	10 –
September 16th, 2*l.* 10*s.*		94,527	10 –
1835: February 18th, 5*l.*		189,055	– –
Paid in anticipation of 4th instalment, due 31st March		11,875	– –
N. B. The amount of this call is 189,055*l.*, due 31st March.			
	£.	389,985	– –

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

Eight per cent.

10.—Variations in rate of dividend, and date of such variations?

First dividend, for the year ending 30th June 1835, at 5 per cent.; second dividend, for the year ending 30th June 1836, at 8 per cent.; third dividend, for the half year ending 31st December 1836, at 4 per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?

1st August 1834; 1,062.

12.—Copy of deed of settlement, when it has been printed and published?

Copy sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copies sent. Auditors are appointed in the terms of the 71st clause of the deed of settlement, which is as follows: "That at every general meeting of the proprietors of the said bank, to be held on the first Friday of February in each year, they shall appoint three of the proprietors (none of them being a general or local director of the said bank, and each of them being a proprietor of 50 shares therein at the fewest,) as auditors, to examine the accounts of the general board of directors of the said co-partnership, to be produced to the general meetings of the proprietors, directed to be held on every first Friday in August; and to sign such accounts, if found correct, and not to report thereon to the general meetings unless the accounts be found incorrect; which auditors are hereby empowered to require the production

of

of all books, vouchers, writings and documents concerning the same accounts, and to call in the aid of the general and other managers, accountants, clerks and officers of the said co-partnership; and every of such auditors shall, previous to entering upon the investigation of the matters committed to their care, subscribe a declaration, engaging to observe secrecy in respect to the state of the accounts of individuals with the bank."

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank holds no shares as special security; but they have a lien on the shares of all the proprietors who may transact business with them, in the terms of the 9th clause of the deed of settlement, which is as follows: "That the said co-partnership bank shall have a lien upon, and shall be entitled to retain and appropriate the whole value of the shares and interest of any proprietor therein for the time being, for and in or towards the payment and liquidation of any debt or liability, debts or liabilities, due from or entered into by any such proprietor to or with the said co-partnership bank, whether such debt or liability, debts or liabilities, be several and due and liable from or by such proprietor, solely or joint, and due and liable, from or by him or her, along and together with any partner or partners in trade, of any such proprietor for the time being, or together and along with any other person or persons as surety or guarantee, sureties or guarantees, or otherwise howsoever; and that each and every of the proprietors of the said co-partnership bank doth hereby authorize and empower the general board of directors thereof for the time being to retain his and her own particular shares and interests and profits therein, in security for the debts and engagements of the co-partnership, as well as for his and her respective several or joint debts and liabilities thereto, as hereinbefore mentioned; and when necessary, for any or either of the said purposes, to sell and dispose of such shares, interests and profits, as hereinafter directed as to shares forfeited to or purchased by them; and in general security for the performance and observance of each and every proprietor's part of the conditions and stipulations of this co-partnership, the said shares, interest and profits are hereby assigned and conveyed to, and declared to be vested in the said general board of directors accordingly."

There are 12,189 shares still unappropriated, which could be given off, but are reserved to secure eligible and useful co-partners.

15.—Places at which promissory notes and bank post-bills are made payable?

Notes are payable at Leeds, and all the branches as enumerated at No. 2, and at the office of Messrs. Williams, Deacon & Co., bankers, London. Bank post-bills are payable in London.

16.—At what date or sight bank post-bills are issued?

Seven days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

The rates allowed are the same as those given by other bankers at the places where we have establishments; but the average rate of deposits may be stated at 3 per cent.; current accounts, 4 per cent.

18.—Variations in such rate, and date of such variations?

There has been an increase in the rate of interest since the 1st of October last.

19.—Date to which the account is made up?

25th February 1837.

By order of the General Board of Directors,

Leeds, 11 March 1837. *James Scaitt*, General Manager.

No. 84.—HULL BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—The Hull Banking Company; 2d December 1833.

2.—Number and situation of branches, and distance of each from central bank?

Five branches, where managers, not engaged in other business, are appointed, viz.:

	Distance from Central Bank.	Number of Banks at the Place.	Population in 1831.
Beverley	9	4	8,302
Brigg	16	3	1,780
Lincoln	40	3	11,892
Gainsborough	37	3	7,535
Louth	36	3	6,927
Five agencies, where the agent is engaged in other business, viz.:			
South Cave	14	1	1,200
Howden	24	2	2,130
Goole	25	2	1,671
Barton	7	2	3,231
Grimsby	16	2	4,225

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Returns from Banking Companies.

No. 84.
Hull Banking Company.

Five places, where attendance is given by a manager or agent from one of the above places, on the market-day, viz.:

	Distance from Central Bank.	Number of Banks at the Place.	Population in 1831.
Market Weighton - - - - - -	18	3	2,169
Snaith - - - - - -	32	1	885
Caistor - - - - - -	25	3	1,525
Retford - - - - - -	46	3	2,491
Market Rasen - - - - -	34	3	1,428

No boards of local directors for the branches or agencies have been appointed. All bills and other securities are sent to the central bank; none of the branch managers or agents draw bills direct on London; credits are lodged by the board at Messrs. Barclay & Co.'s, to enable the branch managers and agents to order payments in London, such orders not being delivered or issued to third parties; all applications for loans and advances are sent in the first instance to the central bank; bills, the parties to which are not well known to the branch manager or agent, are submitted to the consideration of the managing directors and general manager at the central bank; minute returns of their affairs are received weekly from the branches and agencies, which are also subject to inspectory visits by the managing directors and the general manager, not at stated, but at uncertain intervals, when the assets at the branches or agencies are examined and compared with the accounts kept thereat, and which are also checked by accounts kept at the central bank.

3.—Amount of nominal capital?

£. 800,000.

4.—Number of shares, and nominal value of each share?

Eight thousand, of 100 *l.* each.

5.—Number of shares issued?

Four thousand one hundred and ninety-five.

6.—Amount of paid-up capital?

£. 41,950, to which may be added 2,250 *l.*, part of a return of capital ordered the 21st March 1836, not yet called for by the shareholders: together, 44,200 *l.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

1st call, 1st November 1833,	£. 20,975
2d call, 17th March 1834,	20,975
3d call, 21st March 1835,	20,975
	62,925
Capital returned - - -	18,725
	£. 44,200 as above.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

Nil.

9.—Rate of declared dividend?

31st December 1834, 5 per cent.; 31st December 1835, 6 per cent.; 31st December 1836, 8 per cent.

10.—Variations in rate of dividend, and date of such variations?

1st dividend of 5 per cent., 31st December 1834; 2d dividend of 6 per cent., 31st December 1835, increase, 1 per cent.; 3d dividend of 8 per cent., 31st December 1836, increase, 3 per cent.

11.—Date of deed of settlement, and number of persons who have signed such deed?

23d October 1834.

Number of persons who have signed - - - - - - - -	201
Number of persons who have executed transfers, having the same legal effect as signing the deed - - - - - - - - - - -	14
	215
Number of persons who have not signed - - - - - - - -	32
Total number of shareholders - - -	247

12.—Copy of deed of settlement, when it has been printed and published?

A copy was sent with the last return; another will be sent, if required.

13.—Copies

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copies of the last reports and accounts laid before the proprietors are sent herewith; the accounts being, 1st, a statement of profit and loss; and 2d, a statement of liabilities and assets, in the form provided by the Chancellor of the Exchequer: these have been audited and examined by five directors, who make annually a declaration that they are severally worth 5,000 *l.*, and who must possess 50 shares at least to qualify as directors; a statement of the liabilities and assets of the Hull Banking Company, varying little from the form required by the Committee, has been, from the commencement of the bank, laid weekly before the directors, and has been compared with the previous statements.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

Independently of the 3,805 shares reserved for issue to eligible persons, the bank holds none of its shares or stock either in trust or in its own right, except so far as the 63d article of the deed of settlement gives the bank a lien on the shares held by persons to whom advances have been made, the amount of such lien being at this date 5,220 *l.* 14 *s.* 3 *d.*; but as all advances are made for temporary emergencies, and not for longer periods than from one to four months, the lien ceases as soon as such advances are repaid.

15.—Places at which promissory notes and bank-post bills are made payable?

In practice, the promissory (re-issuable) notes are payable at all the company's establishments, in gold or Bank of England notes; also at Messrs. Barclay, Bevan, Tritton & Co.'s, bankers, London; but of right they are only payable at Hull, Lincoln, Louth, Gainsborough and London, as declared on the face of them. The issue of local notes payable only in the country was discontinued after one year's trial; the post-bills are payable in London only.

16.—At what date or sight bank post-bills are issued?

At various dates not exceeding seven days' sight or 21 days' date; bills on London upon stamps are also drawn, not exceeding two months after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Three per cent. per annum on deposits, provided the money remains two months in the bank, if not, no interest is allowed; the same rate is allowed on current accounts, which are subject to a charge of $\frac{1}{4}$ per cent. commission on payments made by the bank.

18.—Variations in such rate, and date of such variations?

None.

19.—Date to which the account is made up?

The accounts sent herewith are made up to 8th October and 31st December 1836 respectively; the answers to the above questions are made up to 11th March 1837.

Hull, 11th March 1837.

T. J. Buckton,
General Manager and Secretary.

No. 85.—PROVINCIAL BANK OF IRELAND.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Provincial Bank of Ireland; the establishment was formed in the end of the year 1824; the first branch was opened in September 1825.

No. 5.
Provincial Bank of Ireland.

2. Number and situation of branches, and distance of each from central bank?

Thirty-three; viz.

1. Cork	-	opened	September 1825	18. Monaghan	-	opened	January 1832
2. Limerick,	-	ditto	November 1825	19. Banbridge	-	ditto	June 1833
3. Clonmel,				20. Ballymena	-	ditto	September 1833
4. Derry	-	ditto	December 1825	21. Parsonstown,		ditto	December 1833
5. Sligo,	-	ditto	February 1826	22. Downpatrick		ditto	August 1834
6. Wexford.				23. Cavan	-	ditto	September 1834
7. Belfast	-	ditto	March 1826	24. Lurgan,	-	ditto	October 1834
8. Waterford,	-	ditto	May 1826	25. Omagh,			
9. Galway,				26. Dungannon,	-	ditto	November 1834
10. Armagh	-	ditto	January 1827	27. Bandon,			
11. Athlone	-	ditto	May 1827	28. Ennis	-	ditto	February 1835
12. Coleraine	-	ditto	July 1827	29. Ballyshannon,		ditto	April 1835
13. Kilkenny	-	ditto	September 1827	30. Strabane	-	ditto	May 1835
14. Ballina,	-	ditto	January 1828	31. Dungarvan	-	ditto	July 1835
15. Tralee,				32. Mallow,	-	ditto	August 1835
16. Youghal	-	ditto	August 1831	33. Moneymore,			
17. Enniskillen	-	ditto	September 1831				

The establishment has no central branch; the management is conducted in London.

No. 85. Provincial Bank of Ireland.

3.—Amount of nominal capital?
Two millions.

4.—Number of shares, and nominal value of each share?
Twenty thousand shares, of 100 *l.* each.

5.—Number of shares issued?
The whole; viz. 20,000.

6. Amount of paid-up capital?
£. 25 upon each share, except on such shares as were forfeited for want of due payment of the instalments.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

January 1825,	1st	instalment of 5 *l.*	per share,	paid	£. 100,000.
July 1825,	2d	ditto	of ditto	paid	97,945.
January 1826,	3d	ditto	of ditto	paid	97,945.
March 1826,	4th	ditto	of ditto	paid	97,945.
January 1827,	5th	ditto	of ditto	paid	97,945.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Four hundred and eleven shares.

9.—Rate of declared dividend?
Last dividend, commencing from Midsummer 1835, was 8 per cent. per annum on the capital paid up.

10.—Variations in rate of dividend, and date of such variations?
First dividend was made at Midsummer 1826, at 4 per cent. per annum on the capital paid up, and the same rate of dividend was continued to Midsummer 1831.
It was raised at Midsummer 1831 to 5 per cent. per annum.
Ditto - - ditto - 1833 to 6 per cent. per annum.
Ditto - - ditto - 1834 to 7 per cent. per annum.
Ditto - - ditto - 1835 to 8 per cent. per annum.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st of August 1825; signed by 692 shareholders.

12.—Copy of deed of settlement, when it has been printed and published?
The deed of settlement has never been printed or published.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared.
Copies of each of the annual reports are sent herewith. The accounts are made up and balanced annually to the last Saturday in March, such accounts being audited and examined by the directors; and the reports are prepared from such accounts, under the responsibility of the whole court of directors and the secretary and accountant.

14. Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Thirteen hundred and ninety-eight shares; but the bank has rarely made advances solely on its own shares, but has taken them as collateral and additional security.

15.—Places at which promissory notes and bank post-bills are made payable?
The bank does not issue bank post-bills. The promissory notes are all made payable at the respective places of issue.

16.—At what date or sight bank post-bills are issued?
None are issued.

17. Rate of interest paid by the bank, whether on deposits or balances of account.

18. Variations in such rate, and date of such variations?
Answer 17, 18.—The rate of interest varies, according to agreement, from 1 to 2½ per cent. per annum.

19. Date to which the account is made up?
The last yearly balance; viz. 26th March 1836.

No. 86.—LICHFIELD, RUGELEY AND TAMWORTH BANKING COMPANY.

No. 86. Lichfield, Rugeley and Tamworth Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Lichfield, Rugeley and Tamworth Banking Company; November 1835.

2.—Number and situation of branches, and distance of each from central bank?
Three branches; viz. Lichfield, chief office; Rugeley branch, seven miles; Tamworth branch, seven miles; Birmingham branch, 15 miles.

3.—Amount

3.—Amount of nominal capital?
£. 100,000.

4.—Number of shares, and nominal value of each share?
Ten thousand shares, of 10 *l.* each.

5.—Number of shares issued?
Six thousand two hundred.

6.—Amount of paid-up capital?
£. 28,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
No call has been made. Fifty per cent. paid on subscribing.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None forfeited.

9.—Rate of declared dividend?
We paid a dividend in September last, of 4 per cent.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
21st October 1835; signed by 109 persons.

12.—Copy of deed of settlement, when it has been printed and published?
One sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report has been made.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
We hold 190 shares, security for cash advanced.

15.—Places at which promissory notes and bank post-bills are made payable?
London and Westminster Bank.

16.—At what date or sight bank post-bills are issued?
From three days' sight to three months' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
From 2 ½ to 3 ½ per cent.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
28th February 1837.

No. 87.—ROYAL BANK OF LIVERPOOL.

Question 1.—NAME of the joint-stock bank, and date of commencing business?
Answer.—Royal Bank of Liverpool; 2d May 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 2,000,000.

4.—Number of shares, and nominal value of each share?
Two thousand shares, of 1,000 *l.* each.

5.—Number of shares issued?
One thousand and six.

6.—Amount of paid-up capital?
£. 352,930.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
£. 5 per share paid on allotment; a call of 100 *l.* per share, payable 2d May 1836, all of which is paid; 145 *l.* per share, payable 15th August 1836, all paid but on 32 shares; 150 *l.* per share, payable 1st February 1837, in course of payment.

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Returns from Banking Companies.

No. 87.
Royal Bank of Liverpool.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments.
None.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
2d May 1836; 255.

12.—Copy of deed of settlement, when it has been printed and published?
Already sent.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report yet made.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post-bills are made payable?
None are issued.

16.—At what date or sight bank post-bills are issued?
None are issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

18.—Variations in such rate, and date of such variations?

Answer 17, 18.—Rate of interest allowed or charged varies with the money market to the end of 1836; interest on deposits, 3 per cent.; an increased interest allowed if for a fixed period; interest on balances of accounts varies with the nature of them; 3½ or 4 per cent. allowed, and 5 per cent. charged, with ¼ per cent. commission, to the end of 1836; the rate of interest charged or allowed for the current half-year cannot, of course, be ascertained.

19.—Date to which the account is made up?
4th March 1837.

For the Royal Bank of Liverpool,
J. Chaffers, Manager.

No. 88.—LINCOLN AND LINDSEY BANKING COMPANY.

No. 88.
Lincoln and Lindsey Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Lincoln and Lindsey Banking Company.

2.—Number and situation of branches, and distance of each from central bank?
Same as last return, with the exception that a permanent agency has been established at Sleaford; distance 17 miles.

3.—Amount of nominal capital?
£. 250,000.

4.—Number of shares, and nominal value of each share?
One thousand two hundred and fifty shares, of 200 *l.* each.

5.—Number of shares issued?
One thousand and seventy-six shares issued.

6.—Amount of paid-up capital?
£. 53,510.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First and second calls as before; third call, of 10 *l.* per share, paid up 25th March 1836; fourth call, of 20 *l.* per share, paid up 14th February 1837.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Six per cent.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date

11.—Date of deed of settlement, and number of persons who have signed such deed?
12th August 1833; 266 persons signed.

12.—Copy of deed of settlement, when it has been printed and published?
Copy sent before.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Copy of last report, and general balance-sheets for 30th June and 31st December last, sent herewith; the remaining questions answered before.

No. 88.
Lincoln and Lindsey Banking Company.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
As before.

15.—Places at which promissory notes and bank post-bills are made payable?
As before.

16.—At what date or sight bank post-bills are issued?
None issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two-and-a-half per cent., both on deposits and balances.

18.—Variations in such rate, and date of such variations?
Two per cent. allowed from the commencement till 7th December 1836; 2½ per cent. allowed from 7th December 1836.

19.—Date to which the account is made up?
28th February 1837.

No. 89.—YORK UNION BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—York Union Banking Company; 1st May 1833.

No. 89.
York Union Banking Company.

2.—Number and situation of branches, and distance of each from central bank?
Four branches; viz. Driffield, 28 miles from central bank, York; Burlington, 36 miles; Thirsk, 22 miles; Malton, 18 miles.

3.—Amount of nominal capital?
£. 700,000.

4.—Number of shares, and nominal value of each share?
Seven thousand, at 100 *l.* each.

5.—Number of shares issued?
Six thousand three hundred.

6.—Amount of paid-up capital?
£.63,000.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
Ten shillings per share, March 1833; 4 *l.* 10 *s.* per share, May 1833; 5 *l.* per share, January 1834.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Nine per cent.

10.—Variations in rate of dividend, and date of such variations?
Seven per cent. for 1834; 8 per cent. for 1835; 9 per cent. for 1836.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st May 1833; 294 persons.

12.—Copy of deed of settlement, when it has been printed and published?
Copy of deed sent in a former return.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Report, stating the balance of profit and loss, being the amount of profit, deducting the current expenses and bad debts therefrom, which account is audited by the board of directors, and examined and signed by the two managing directors.

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Returns from Banking Companies.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

No shares held by the bank in trust, but occasionally advances are made to the proprietors for short periods, on security of their shares; 700 reserved shares on hand, to be issued to persons who may wish to do business with the bank.

No. 89.
York Union Banking Company.

15.—Places at which promissory notes and bank post-bills are made payable?

Promissory notes payable at York, Driffield, Burlington, Thirsk and Malton, and a Williams, Deacon & Co., London; bank post-bills payable at Williams, Deacon & Co.

16.—At what date or sight bank post-bills are issued?

At sight, and seven days after sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Three per cent. on deposits running two months and upwards, and 2 ½ per cent. on accounts current.

18.—Variations in such rate, and date of such variations?

Two-and-a-half per cent. to 1st November 1836, and 3 per cent. since, on deposits; and 2 per cent. to 1st November 1836, and 2 ½ per cent. since, on accounts.

19.—Date to which the account is made up?

31st December 1836.

York Union Bank, 16th March 1837.

B. T. Wilkinson,
Manager and Secretary.

No. 90.—MANCHESTER AND LIVERPOOL DISTRICT BANKING COMPANY.

No. 90.
Manchester and Liverpool District Banking Company.

Question. 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—As last return.

2.—Number and situation of branches, and distance of each from central bank?

As last return.

3.—Amount of nominal capital?

As last return.

4.—Number of shares, and nominal value of each share?

As last return: *see* Memorandum attached.

5.—Number of shares issued?

As last return: *see* Memorandum attached.

6.—Amount of paid-up capital?

Seven hundred and forty-nine thousand seven hundred and twenty-five pounds.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

As last return: *see* Memorandum attached.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

As last return.

9.—Rate of declared dividend?

As last return.

10.—Variations in rate of dividend, and date of such variations?

As last return.

11.—Date of deed of settlement, and number of persons who have signed such deed?

As last return.

12.—Copy of deed of settlement, when it has been printed and published?

Sent with last returns.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copy of the last report, and of the proceedings of the last annual meeting of shareholders, sent herewith; the nature of the audit and the responsibility under which the report is prepared, explained in the last returns.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank holds 252 shares in its own right; all shares are security for advances made to the shareholders, under the 30th clause of the deed of settlement.

15.—Places at which promissory notes and bank post-bills are made payable?

As last returns.

16.—At what date or sight bank post-bills are issued?

None are issued.

17.—Rate

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

From 3 per cent. to 4 per cent.

18.—Variations in such rate, and date of such variations?

As in last return.

19.—Date to which the account is made up?

31st December 1836.

MEMORANDUM, 14 March 1837.

IN reference to the liabilities, it may be observed, that the circulation of the Manchester and Liverpool District Banking Company, which has ceased to be a bank of issue since November 1834, is now nearly all retired, the outstanding liabilities amounting only to 420 *l.*, and of the deposits and balances of current accounts, a considerable amount is due to the directors and proprietors of the bank, the proportion being much the same as detailed in the explanatory letter of the 21st June 1836, accompanying the last returns.

In reference to the assets, the attention of the Committee is respectfully pointed to the reduction in the amount of the bank's stock in possession of the directors, and to the explanations formerly given of past-due bills.

And in reference to the questions, the following changes, which affect the answers to queries 4, 5, 6 and 7, have occurred since the period to which the accounts are made up; viz. the subscribed capital or joint stock of the Manchester and Liverpool District Banking Company being 5,000,000 *l.* sterling, which was originally divided into 50,000 shares of 100 *l.* each, has been, by the authority of the shareholders, in pursuance of the power vested in them by the 70th clause of the deed of settlement, recently divided into 100,000 shares of 50 *l.* each, the paid-up capital being, in both cases, 15 *l.* per share.

By this arrangement there is a creation of 50,000 additional shares, which, when wholly disposed of, will increase the working capital of the bank to double its former amount; viz. from 750,000 *l.* to 1,500,000 *l.* Of the 50,000 additional shares thus created, there have been already allotted 30,005, whereby the paid-up capital is augmented to about 1,200,000 *l.*, and the reserved surplus fund is increased to 226,000 *l.*, by the addition thereto of the premiums at which these new shares have been granted; the whole of which premiums have been paid, and are now in the possession of the bank.

John V. Jackson, General Manager.

Manchester and Liverpool District Banking Company.

No. 91.—NEWCASTLE, SHIELDS AND SUNDERLAND UNION JOINT STOCK BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—The Newcastle, Shields and Sunderland Union Joint Stock Banking Company, formerly the private bank of E. Chapman, W. Chapman & Co.; commenced business on the 1st day of July 1836.

2.—Number and situation of branches, and distance of each from central bank?

There are three branches; distance as follows:

One at North Shields, 7½ miles from central bank.
One at South Shields, 8 ditto - - ditto.
One at Sunderland - 12 ditto - - ditto.

Also six agencies; distance as follows:

One at Morpeth - 15 miles from central bank.
One at Hexham - 20 ditto - - ditto.
One at Alston - - 40 ditto - - ditto.
One at Blyth - - 13 ditto - - ditto, and 8 miles from North Shields.
One at Hartlepool - 33 ditto - - ditto, and 21 ditto - - Sunderland.
One at Alnwick - 34 ditto - - ditto.

Note.—Alnwick is the county town of Northumberland.

3.—Amount of nominal capital?

The nominal capital is 300,000 *l.*

4.—Number of shares, and nominal value of each share?

The number of shares is 30,000, and the nominal value of each is 10 *l.*

5.—Number of shares issued?

The number of shares issued, is 23,365, which have been issued to 452 individuals, of whom 154 reside in Newcastle and Gateshead, and 150 in Shields.

6.—Amount of paid-up capital?

The amount of paid-up capital was, on 31st December 1836, 86,447 *l.* 10 *s.*; but is now 115,168 *l.* 10 *s.*, for reason given in No. 7.

— I. —
Returns from Banking Companies.

No. 91.
Newcastle, Shields and Sunderland Union Joint Stock Banking Company.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

The sum of 2 *l.* per share was called for on the 1st day of July 1836; a further sum of 1 *l.* 10 *s.* per share was called for on the 1st day of October 1836; and a further sum of 1 *l.* 10 *s.* per share, on the 1st day of January in the present year; being in all 5 *l.* per share.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

No dividend can, according to the deed of settlement, be made till the first general meeting of the company, to be held on the last Tuesday in the month of July 1837. (*See* clause 14 in deed.)

10.—Variations in rate of dividend, and date of such variations?

Answered in the answer to No. 9.

11.—Date of deed of settlement, and number of persons who have signed such deed?

The deed of settlement is dated the 1st day of October 1836, and is signed by 355 individuals. It is at present sent to different places, for signature by the remainder.

12.—Copy of deed of settlement, when it has been printed and published?

A printed copy of the deed of settlement is sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared.

For the reason mentioned in No. 9, no reports or annual accounts have as yet been laid before the proprietors. Three of the shareholders are chosen as auditors, whose duty it is to examine the report prepared by the directors, according to the directions in the deed, (clause 86), and sign the same, before it is laid before the proprietors. (*See* clause 124.)

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

According to the deed (clause 137), the shares are subject to all the debts and liabilities of the shareholders to the company.

15.—Places at which promissory notes and bank post-bills are made payable?

Newcastle and London.

16.—At what date or sight bank post-bills are issued?

Any date not exceeding 21 days' date, and seven days' sight.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Three per cent. on deposits.

18.—Variations in such rate, and date of such variations?

The same since the commencement.

19.—Date to which the account is made up?

18th March 1837.

No. 92.—THE NOTTINGHAM AND NOTTINGHAMSHIRE BANKING COMPANY.

No. 92.
The Nottingham and Nottinghamshire Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—The Nottingham and Nottinghamshire Banking Company; 19th April 1834.

2.—Number and situation of branches, and distance of each from central bank?

Central bank	Nottingham	Nottinghamshire.	
First branch	Mansfield	ditto	14 miles.
Second ditto	Worksop	ditto	26 miles.
Third ditto	Retford	ditto	30 miles.
Fourth ditto	Newark	ditto	20 miles.
Fifth ditto	Loughborough	Leicestershire	14 miles.

3.—Amount of nominal capital?

£.500,000.

4.—Number of shares, and nominal value of each share?

Ten thousand shares; nominal value, 50 *l.* each.

5.—Number of shares issued?

Seven thousand eight hundred and fifteen, 30th June; and 7,985 on 31st December 1836.

6.—Amount of paid-up capital?

£. 78,150, 30th June, and 81,450 *l.*, 31st December 1836.

7.—Date

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Returns from Banking Companies.

No. 92.
The Nottingham and Nottinghamshire Banking Company.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

First call, 1 *l.*, in allotting shares, 1834; and 4 *l.*, on 19th April 1834; second call, 5 *l.* on 1st November 1834.

N.B. A third call of 5 *l.* is made for 15th March 1837, of which 1,600 *l.* was paid before 31st December 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend.

Six per cent. 30th June 1835; 7½ per cent. 30th June 1836.

10.—Variations in rate of dividend, and date of such variations?

Six per cent. first year; 7½ per cent. second year.

11.—Date of deed of settlement, and number of persons who have signed such deed?

8th April 1834; number of shareholders who have signed, 359; 322 of whom are now shareholders, 31st December 1836; 31st December 1836, 22 shareholders have become proprietors subsequently by transfer, who are not required to sign the deed, making 344 proprietors.

12.—Copy of deed of settlement, when it has been printed and published?

A copy was forwarded with last return, in June 1836.

13.—Copies of the last reports and accounts laid before the proprietors a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Copy of the second report now forwarded; the audit and examination are made, and the report prepared under the responsibility of the board of directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank holds none of its own stock; but, as a matter of course, shareholders have accounts with the bank, and the amounts of their shares are held as security for their balances respectively, as a lien, in conformity with the deed of settlement.

15.—Places at which promissory notes and bank post-bills are made payable?

Promissory notes are payable in Nottingham and London, and bank post-bills and drafts are payable in London.

16.—At what date or sight bank post bills are issued?

Bank post-bills are issued at seven days' date and seven days' sight, and drafts on demand, or at any date to 21 days, unstamped, and stamped at one, two and three months.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Three per cent.

18.—Variations in such rate, and date of such variations?

Paid 2½ per cent. to 31st December 1834, and 3 per cent. since 1st January 1835.

19.—Date to which the account is made up?

18th March 1837, with reference to balance of 31st December 1836.

John Jameson, Manager.

No. 93.—LIVERPOOL UNITED TRADES' BANK.

No. 93.
Liverpool United Trades' Bank.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer 1.—The Liverpool United Trades' Bank, registered according to Act 7 Geo. 4, c. 46, 12th May 1836.

2.—Number and situation of branches, and distance of each from central bank?

None.

3.—Amount of nominal capital?

£. 400,000.

4.—Number of shares, and nominal value of each share?

Twenty thousand, of 20 *l.* each share.

5.—Number of shares issued?

Ten thousand six hundred and seventy shares issued.

6.—Amount of paid-up capital?

	£.	s.	d.
Amount of calls paid up as below - - - - - -	106,700	–	–
Profits to 31st December 1836, carried to surplus fund -	7,019	5	7
	£. 113,719	5	7

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Returns from Banking Companies.

No. 93.
Liverpool United Trades' Bank.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

		£.	s.	d.		
25th April	1836	-	3	–	–	per share
1st July	1836	-	3	10	–	per share
3d October	1836	-	3	10	–	per share
		£.	10	–	–	

All paid up, say 10,670 at 10 *l.* each - - £. 106,700.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

None.

10.—Variations in rate of dividend, and date of such variations?

None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

25th April 1836; signed by 324 persons.

12.—Copy of deed of settlement, when it has been printed and published?

A copy was formerly sent; but, to avoid inconvenience, a copy is herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

A copy of the report and account laid before the proprietors 28th February is herewith. The account was fully examined by the directors, and the report prepared under their responsibility. The proprietors have the power, under the deed of settlement, to appoint auditors, (*see* sec. 45,) but did not think it necessary to do so.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

The bank holds no shares except those unappropriated, and does not make advances upon its shares.

15.—Places at which promissory notes and bank post-bills are made payable?

None, not being a bank of issue.

16.—At what date or sight bank post-bills are issued?

See No. 15.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

Upon deposits 3 and 3½ per cent. is allowed, according to circumstances; upon current accounts the interest is 4 and 5 per cent., according to circumstances.

18.—Variations in such rate, and date of such variations?

Answered in the foregoing.

19.—Date to which the account is made up?

31st December 1836.

Liverpool United Trades' Bank, 27 March 1837.

William Wilson, Manager.

No. 94.—BURY BANKING COMPANY.

No. 94.
Bury Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?

Answer.—Bury Banking Company; commenced business 1st July 1836.

2.—Number and situation of branches, and distance of each from central bank?

No branches, or agencies.

3.—Amount of nominal capital?

£. 200,000.

4.—Number of shares, and nominal value of each share?

Twenty thousand shares, 10 *l.* each.

5.—Number of shares issued?

Twelve thousand seven hundred and eighty-five.

6.—Amount of paid-up capital?

£. 63,925.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

One call of 5 *l.* per share, paid on the 10th June 1836.

8.—Number

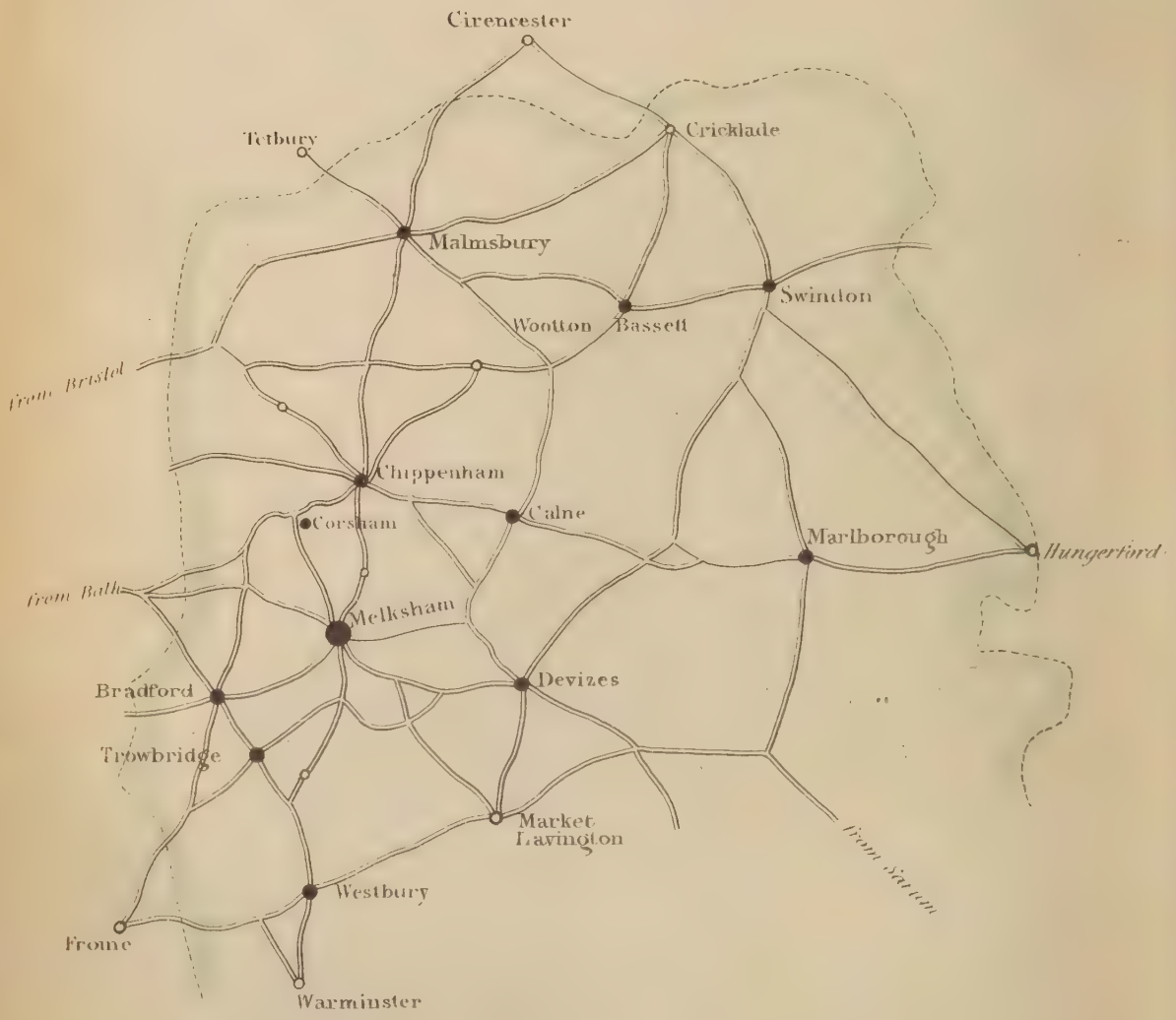
PART OF WILTSHIRE

Shewing the Places of the

NORTH WILTS BANKING COMPANY'S

Establishments,

marked thus ●



Distances *from* Melksham *to the various* Branches

To Devizes	7 Miles	*To Wootton Bassett*	14 Miles
Chippenham	6 "	*Westbury*	9 "
Bradford	5 "	*Malmsbury*	15 "
Trowbridge	5 "	*Swindon*	28 "
Calne	9 "	*Marlborough*	21 "
Corsham	4 "		

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Returns from Banking Companies.

No. 94.
Bury Banking Company.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Not any.

9.—Rate of declared dividend?
None, not having been established one year.

10.—Variations in rate of dividend, and date of such variations?
None, not having been established one year.

11.—Date of deed of settlement, and number of persons who have signed such deed?
13th of May 1836: ninety persons have signed it.

12.—Copy of deed of settlement, when it has been printed and published?
Printed copy of deed of settlement sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
None yet made.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None, except the shares yet unappropriated; but the bank has the first and paramount lien on all its own stock for the liabilities of every proprietor, whether solely, or in partnership with any other person.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes made payable in Bury and in London; no bank post-bills issued.

16.—At what date or sight bank post-bills are issued?
The bank never draws bills, except at the special request of customers. Under the composition, of course bills cannot exceed 7 days' sight, or 21 days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Deposits 3 per cent. Current accounts 3½ per cent., subject to ¼ per cent. commission.

18.—Variations in such rate, and date of such variations?
Interest on deposits 2¾ per cent. from the commencement to the 31st December; since that period 3 per cent. is allowed.

19.—Date to which the account is made up?
23d of March 1837.

Bury, Lancashire, 29 March 1837.

Wm. Coward, Manager.

No. 95.—NORTH WILTS BANKING COMPANY.

No. 95.
North Wilts Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—North Wilts Banking Company; 9th November 1835.

2.—Number and situation of branches, and distance of each from central bank?
Eleven. Distance from central bank respectively, 7, 6, 5, 5, 9, 4, 14, 9, 15, 28 and 21 miles. (*See* Map.)

3.—Amount of nominal capital?
£. 250,000.

4.—Number of shares, and nominal value of each share?
Ten thousand, of 25 *l.* each.

5.—Number of shares issued?
Seven thousand five hundred and ninety-five.

6.—Amount of paid-up capital?
£. 37,975.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One call of 5 *l.*; all paid up.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Since the period of making up the account No. 2, (herewith,) a dividend of 7 per cent. per annum has been declared by the directors, in February last, from the profits of the preceding half year, from June to Christmas, 1836.

10.—Variations in rate of dividend, and date of such variations?
None.

 11.—Date

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Returns from Banking Companies.

No. 95.
North Wilts Banking Company.

11.—Date of deed of settlement, and number of persons who have signed such deed?
31st October 1835; signed by 197 proprietors.

12.—Copy of deed of settlement, when it has been printed and published?
Sent with last return.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
The establishment being in its infancy at the time of the last general meeting of proprietors, no debtor and creditor account or balance-sheet was then given, since which no meeting of shareholders has been held. The accounts are carefully and correctly kept, and a balance-sheet made out by the accountant half yearly (on 30th June and 31st Dec.), by whom the balances are taken from the ledgers, and examined by the general manager. Four directors are specially appointed by the general board as an audit committee, by whom the balance-sheet and statement of accounts are carefully and minutely examined, and signed by at least three of them, who, with the manager, are responsible for the report.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The bank holds 85 of its own shares in its own right, and 20 shares as security for advances.
[N.B.—This question was not clearly understood in making the last return. The company have a general lien upon all shares of proprietors having overdrawn accounts, but such advances have been made on the strength of the respectability and responsibility of the parties, independent of the shares.]

15.—Places at which promissory notes and bank post-bills are made payable?
Melksham, Devizes and London.

16.—At what date or sight bank post-bills are issued?
At 7 days' sight, and 11 to 21 days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. per annum on deposits, with interest notes at 30 days' sight. No interest allowed on current accounts.

18.—Variations in such rate, and date of such variations?
Interest on deposits (as above) advanced from 2½ to 3 per cent. per annum, 1st Oct. 1836.

19.—Date to which the account is made up?
31st December 1836.

Frederick Maule, Manager.

No. 96.—BANK OF WALSALL, SOUTH STAFFORDSHIRE.

No. 96.
Bank of Walsall, South Staffordshire.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Bank of Walsall, South Staffordshire; 1st August 1835.

2.—Number and situation of branches, and distance of each from central bank?
One branch, 12 miles.

3.—Amount of nominal capital?
£. 200,000.

4.—Number of shares, and nominal value of each share?
Eight thousand, of 25 *l.* each.

5.—Number of shares issued?
Six thousand one hundred and fifteen.

6.—Amount of paid-up capital?
£. 30,575.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
One call of 5 *l.* per share, 1st August 1835.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
Six per cent.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
29th July 1835; signed by 156 persons.

12.—Copy

12.—Copy of deed of settlement, when it has been printed and published?
Printed and published 1st January 1836.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Annual meeting in August; accounts laid before a general meeting of shareholders, drawn up under the authority of the directors, and subject to scrutiny of two special auditors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post-bills are made payable?
Walsall, Penkridge and London.

16.—At what date or sight bank post-bills are issued?
At 7 days' sight, and 21 days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two per cent. to three-and-a-half per cent.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
4th March 1837.

No. 97.—ROYAL BANK OF IRELAND.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—The Royal Bank of Ireland; 26th September 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 1,500,000.

4.—Number of shares, and nominal value of each?
Thirty thousand, of 50 *l.*

5.—Number of shares issued?
Twenty thousand nine hundred and thirty.

6.—Amount of capital paid up?
£. 199,275.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 30th April 1836, 104,650 *l.*; second call, 25th June 1836, 94,625 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Two thousand and five shares on which second instalment is not paid, and which the directors conceive, by the provisions of the deed, are liable to forfeiture.

9.—Rate of declared dividend?
No dividend yet declared.

10.—Variations in rate of dividend, and date of such variations?
See preceding answer.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st September 1836; 306.

12.—Copy of deed of settlement, when it has been printed and published?
Herewith sent; not printed.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report yet made; the 70th clause gives power to any general meeting of proprietors, if they deem it expedient, to appoint three of their number, as auditors, to examine the accounts and statements of the directors.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Clause 82 of deed gives the bank a primary lien on its shares in cases of debts due by shareholders. No shares have been transferred to the bank in trust, nor does it hold any on its own account.

— I. —
Returns from Banking Companies.

No. 97.
Royal Bank of Ireland.

15.—Places at which promissory notes and bank post-bills are made payable?
None.

16.—At what date or sight bank post-bills are issued?
See preceding answer.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Two per cent. on running accounts, and two-and-a-half and three per cent. on permanent deposits.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
4th March 1837.

Charles Copland, Manager.

No. 98.—HELSTON BANKING COMPANY.

No. 98.
Helston Banking Company.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Helston Banking Company; 8th August 1836.

2.—Number and situation of branches, and distance of each from central bank?
None.

3.—Amount of nominal capital?
£. 100,000.

4.—Number of shares, and nominal value of each share?
One thousand shares, at 100 *l.* each share.

5.—Number of shares issued?
Four hundred and nineteen.

6.—Amount of paid-up capital?
£. 4,190.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call made on the 2d August last, and none since; 4,190 *l.* amount of paid up-capital.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
2d August 1836; fifteen persons.

12.—Copy of deed of settlement, when it has been printed and published?
Deed of settlement has not been printed or published.

13.—Copies of the last reports and accounts laid before the proprietors, a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
None.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post-bills are made payable?
Promissory notes are made payable at Helston, and at Messrs. Glyn and Co.'s, Lombard-street, London. No bank post-bills issued.

16.—At what date or sight bank post-bills are issued?
See 15.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three-and-a-half per cent. on deposits; nothing on balances.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
31st December 1836.

No. 99.—CHELTENHAM AND GLOUCESTERSHIRE BANK.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—Cheltenham and Gloucestershire bank; 23d May 1836.

2.—Number and situation of branches, and distance of each from central bank?
One branch at Tewkesbury, eight miles from Cheltenham.

3.—Amount of nominal capital?
£. 500,000.

4.—Number of shares, and nominal value of each share?
Ten thousand, at 50 *l.* each.

5.—Number of shares issued?
Four thousand five hundred and twenty-five.

6.—Amount of paid-up capital?
£. 22,625.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
9th May 1836; one hundred and fifty-four.

12.—Copy of deed of settlement; when it has been printed and published?
It has not been printed.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
None has yet been made, nor will be till July next. The accounts are made up by the directors, and may be examined by auditors appointed at a general meeting of shareholders.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post-bills are made payable?
At Cheltenham and London.

16.—At what date or sight bank post-bills are issued?
Seven days' sight, and twenty-one days' date.

17.—Rate of interest paid by the bank, whether on deposits, or balances of account?
Two-and-a-half and three per cent.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
1st April 1837.

Cheltenham, 5 April 1837.

W. Ridbe, Manager.

No. 100.—OLDHAM BANKING COMPANY.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—The Oldham Banking Company; commenced business 7th September 1836.

2.—Number and situation of branches, and distance of each from central bank?
Only one establishment.

3.—Amount of nominal capital?
£. 250,000 *l.*

4.—Number of shares, and nominal value of each share?
Twenty-five thousand; nominal value 10 *l.* each.

5.—Number of shares issued?
Five thousand one hundred and eighty. The directors have applications for many more, which may be appropriated as occasion may require.

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Returns from Banking Companies.

No. 100.
Oldham Banking Company.

6.—Amount of paid-up capital?
£. 10,210 *l.*; a further call is about to be made.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
First call, 25th August 1836; second call, 28th November 1836; 1 *l.* per share in both cases; all paid except the second instalment on 150 shares, viz. 150 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None yet declared.

10.—Variations in rate of dividend, and date of such variations?
None yet paid.

11.—Date of deed of settlement, and number of persons who have signed such deed?
15th July 1836, only just engrossed; and signed by 31 persons.

12.—Copy of deed of settlement; when it has been printed and published?
The deed not yet printed.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report laid before proprietors yet. Examined by the manager on behalf of the directors, who take the responsibility.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None held in the right of the bank, except the shares unappropriated.

15.—Places at which promissory notes and bank-post bills are made payable?
Notes payable at Oldham and at the London and Westminster Bank. No bank post-bills issued.

16.—At what date or sight bank post-bills are issued?
None yet issued by this bank.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. allowed on deposits and balances of account.

18.—Variations in such rate, and date of such variations?
Have not yet made any variation.

19.—Date to which the account is made up?
Accounts made up to the 30th June and 31st December each year.

Oldham Banking Company, 3 April 1837.

No. 101.—NATIONAL PROVINCIAL BANK.

No. 101.
National Provincial Bank.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—National Provincial.

2.—Number and situation of branches, and distance of each from central bank?
Thirty-eight branches and twenty-eight sub-branches.

3.—Amount of nominal capital?
£. 1,200,000.

4.—Number of shares, and nominal value of each share?
See last return.

5.—Number of shares issued?
Ten thousand shares of 100 *l.* issued; six thousand four hundred and seventy four shares of 20 *l.* issued.

6.—Amount of paid-up capital?
£. 367,635.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up.
Since last return, a call of 10 *l.* on 100 *l.* shares was made on 6th December 1836.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
See last return.

9.—Rate of declared dividend?
Five per cent.

10.—Variations

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
23d September 1833; number of 100*l.* shareholders, 502; number of 20*l.* shareholders, about 300.

12.—Copy of deed of settlement; when it has been printed and published?
Deed of settlement not printed.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
See accompanying statement of account, and refer to last return.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Holds none.

15.—Places at which promissory notes and bank post-bills are made payable?
See last return.

16.—At what date or sight bank post-bills are issued?
See last return.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
See last return.

18.—Variations in such rate, and date of such variations?
See last return.

19.—Date to which the account is made up?
The accompanying account is made up to 31st December last.

No. 102.—NATIONAL BANK OF IRELAND.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—National Bank of Ireland; at Carrick, 28th January 1835.

2.—Number and situation of branches, and distance of each from central bank?
Fourteen branches, with twenty sub-branches, and eight agencies.

3.—Amount of nominal capital?
English capital, 1,000,000*l.*; Irish capital, 818,900*l.*

4.—Number of shares, and nominal value of each share?
English, 20,000 of 50*l.*, 1,000,000*l.*; Irish, 81,890 of 10*l.*, 818,900*l.*

5.—Number of shares issued?
English, 19,999; Irish, 66,506.

6.—Amount of paid-up capital?
English, 245,575*l.* 10*s.*; Irish, 166,262*l.*

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
English deposit of 5*l.*, 99,995*l.*; 1st call of 5*l.*, 20th July 1835, 99,995*l.*; 2d call of 50*s.*, 30th April 1836, 45,585*l.* 10*s.* Irish paid, at time of subscribing, 50*s.* per share, 166,262*l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Fifty shares, English, forfeited; none of Irish.

9.—Rate of declared dividend?
Five per cent. per annum, except Cork, which is six per cent.

10.—Variations in rate of dividend, and date of such variations?
English, none.

11.—Date of deed of settlement, and number of persons who have signed such deed?
English deed dated 6th January 1835; 277.

12.—Copy of deed of settlement; when it has been printed and published?
Not printed or published.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
25th May 1836, for London; copy handed in. The said accounts were examined and agreed to by the directors.

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Returns from Banking Companies.

No. 102.
National Bank of Ireland.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
One hundred shares held in trust to secure a debt; none in its own right
330 held by Waterford in its own right, a' 2 *l.* 10 *s.* - - £. 825 - -

15	held by	Carrick, as security - - - - -	37	10	-
70	ditto	Limerick, ditto - - - - - -	175	-	-
8	ditto	Sligo - ditto - - - - - -	20	-	-
350	ditto	Wexford, ditto - - - - -	875	-	-
			£. 1,107	10	-

15.—Places at which promissory notes and bank post-bills are made payable?
Where issued only.

16.—At what date or sight bank post-bills are issued?
Not any issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Variable from 2 to 3 per cent. on deposits; on current accounts, 1 to 2 per cent.

18.—Variations in such rate, and date of such variations?
Two and one half per cent. was the maximum until November 1836, and afterwards three per cent.

19.—Date to which the account is made up?
31st December 1836.

Ed. Hill, Acct. to the National Bank of Ireland.

11 April 1837.

No. 103.—IMPERIAL BANK OF ENGLAND.

No. 103.
Imperial Bank of England.

Question 1.—Name of the joint stock bank, and date of commencing business?
Answer.—Imperial Bank of England; commenced 26th December 1836, at Manchester.

2.—Number and situation of branches, and distance of each from central bank?
Five, all in Cheshire, at the distance of 14, 18, 18, 24 and 35 miles from Manchester.

3.—Amount of nominal capital?
£. 1,000,000.

4.—Number of shares, and nominal value of each share?
Fifty thousand; 20 *l.* each.

5.—Number of shares issued?
Eighteen thousand three hundred and ninety-five.

6.—Amount of paid-up capital?
£. 73,580.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
3rd October 1836 and 1st February 1837; amount paid on each instalment, 2 *l.* per share. *See* Remarks.

8.—Number of shares (if any) which may have been forfeited for non payment of instalments?
None.

9.—Rate of declared dividend
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Prepared, but not yet executed. *See* Remarks.

12.—Copy of deed of settlement, when it has been printed and published?
See last Answer.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
None.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
One hundred shares of own, as security for some dishonoured bills.

15.—Places at which promissory notes and bank post bills are made payable?
Macclesfield, Congleton and Knutsford. *See* Remarks.

16.—At

16.—At what date or sight bank post bills are issued?
None issued at present.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. on deposits, in some cases; 4 per cent. on balances of accounts, as such are chargeable with a commission.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
11th March 1837.

No. 104.—BANK OF SOUTH WALES.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Name, Bank of South Wales; began business 1st January 1834.

2.—Number and situation of branches, and distance of each from central bank?
No branches.

3.—Amount of nominal capital?
Nominal and paid-up capital, 17,500 *l.*

4.—Number of shares, and nominal value of each share?
Seven shares, each share 2,500 *l.*

5.—Number of shares issued?
All issued.

6.—Amount of paid-up capital?
All paid up.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
Capital paid 1st January 1834, 10,500 *l.*; capital paid 6th April 1837, 7,000 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
£. 200 per share, 31st December 1835 and 31st December 1836.

10.—Variations in rate of dividend, and date of such variations?
No variation.

11.—Date of deed of settlement, and number of persons who have signed such deed?
The draft prepared only.

12.—Copy of deed of settlement, when it has been printed and published?
Not yet signed.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
We have appended the last weekly balance, which is laid before the partners every week.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
Holds none.

15.—Places at which promissory notes and bank post bills are made payable?
Carmarthen and London.

16.—At what date or sight bank post bills are issued?
Seven days' sight, and 14 and 21 days' date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
£. 3 per cent. per annum, when not overdrawn.

18.—Variations in such rate, and date of such variations?
When accounts are overdrawn, 5 *l.* per cent. per annum.

19.—Date to which the account is made up?
To 31st December in each year; trial balances are submitted to partners every week.

No. 105.
Old Bank, Bristol.

No. 105.—OLD BANK, BRISTOL.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Old Bank, Bristol; commenced about 1748 or 1750; but the present partnership, of eight partners, in June 1826.

2.—Number and situation of branches, and distance of each from central bank?
Not any.

3.—Amount of nominal capital?
Not any but positive.

4.—Number of shares, and nominal value of each share?
Not any.

5.—Number of shares issued?
Not any.

6.—Amount of paid-up capital?
£. 140,000; but increased by the partners when required, and never reduced.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?
At the time of partnership, June 1826, the full sum of 140,000 *l.*

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
Not any.

9.—Rate of declared dividend?
According to the profit or loss.

10.—Variations in rate of dividend, and date of such variations?
According to the profit or loss.

11.—Date of deed of settlement, and number of persons who have signed such deed?
Articles of partnership of the present firm, June 1826.

12.—Copy of deed of settlement, when it has been printed and published?
No such thing.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
Every 30th June and 31st December, by the balance-book, made up and signed by each partner.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
The eight present partners hold all.

15.—Places at which promissory notes and bank post bills are made payable?
The drafts on London are all drawn on Messrs. Prescott, Grote & Co., and no other place; the promissory or cash notes are payable at the bank in Bristol only.

16.—At what date or sight bank post bills are issued?
At all dates that may meet the request of our friends that apply.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
On deposit notes, at 2 per cent.; but latterly increased to 2 ½ per cent.

18.—Variations in such rate, and date of such variations?

19.—Date to which the account is made up?
On the 30th June and 31st December in each year.

No. 106.
Herefordshire Banking Company.

No. 106.—HEREFORDSHIRE BANKING COMPANY.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Herefordshire Banking Company.

2.—Number and situation of branches, and distance of each from central bank?
Ross, 14 miles; sub-branch, Coleford; Leominster, 14 miles; Worcester, 29 miles; Evesham, 34 miles.

3.—Amount of nominal capital?
£. 300,000.

4.—Number of shares, and nominal value of each share?
Twelve thousand shares, of 25 *l.* each.

5.—Number

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No. 106.
Herefordshire Banking Company.

5.—Number of shares issued?
Four thousand five hundred and eighty-nine.

6.—Amount of paid-up capital?
£. 30,300.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

1836: August 1	-	£. 11,472	10 –
– September 14	-	10,797	10 –
1837: February 7	-	8,030	– –
		£. 30,300	– –

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?
None.

9.—Rate of declared dividend?
None.

10.—Variations in rate of dividend, and date of such variations?
None.

11.—Date of deed of settlement, and number of persons who have signed such deed?
1st October 1836; 134.

12.—Copy of deed of settlement, when it has been printed and published?
Sent herewith.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?
No report yet made, the company having been so recently established.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?
None.

15.—Places at which promissory notes and bank post bills are made payable?
Hereford, Ross, Leominster, Herefordshire; Coleford, Gloucestershire; Worcester, Evesham, Worcestershire.

16.—At what date or sight bank post bills are issued?
Not exceeding seven days' sight, or 21 days after date.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?
Three per cent. on deposits only.

18.—Variations in such rate, and date of such variations?
None.

19.—Date to which the account is made up?
No annual account having been yet made, the directors conceive that the Select Committee do not require any further explanation than the above.

No. 107.—AGRICULTURAL AND COMMERCIAL BANK OF IRELAND.

No. 107.
Agricultural and Commercial Bank of Ireland.

Question 1.—NAME of the joint stock bank, and date of commencing business?
Answer.—Agricultural and Commercial Bank of Ireland; 2d November 1834.

2.—Number and situation of branches, and distance of each from central bank?
Forty-six branches; distance, 55, 57, 2 of 58, 59, 62, 63, 64, 2 of 68, 70, 72, 2 of 74, 2 of 75, 2 of 76, 2 of 80, 85, 2 of 86, 93, 99, 100, 102, 2 of 104, 105, 108, 110, 113, 117, 3 of 125, 127, 131, 132, 140, 141, 142, 144, 145 and 167.

3.—Amount of nominal capital?
£. 1,000,000.

4.—Number of shares, and nominal value of each share?
Shares are of 5*l.*, 10*l.*, and 25*l.* each.

5.—Number of shares issued?
Two hundred and fifty-seven thousand three hundred and seven.

6.—Amount of paid-up capital?
£. 352,789. 18*s.* 6*d.*

 7.—Date

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Returns from Banking Companies.

107.
Agricultural and Commercial Bank of Ireland.

7.—Date of the several calls for paid-up capital, and amount of the several instalments paid up?

The first and second calls each of 10*s.* per 5*l.* share, and first and second calls each of 5*l.* per 25*l.* and 10*l.* share, were made at the commencement of the company, and paid for generally in one sum at the time of purchase.

8.—Number of shares (if any) which may have been forfeited for non-payment of instalments?

None.

9.—Rate of declared dividend?

Five per cent. per annum.

10.—Variations in rate of dividend, and date of such variations?

None.

11.—Date of deed of settlement, and number of persons who have signed such deed?

1st December 1834; and 10th August 1836.

12.—Copy of deed of settlement; when it has been printed and published?

10th August 1836.

13.—Copies of the last reports and accounts laid before the proprietors; a statement of the nature of the audit and examination to which such accounts are subjected, and of the responsibility under which such reports are prepared?

Three copies already transmitted.

The accounts as they appear on the company's books have been usually certified on the oath or declaration of the accountants of the company to the several half-yearly meetings.

14.—Statement whether the bank holds any and what amount of its own shares or stock, either in trust, as security for advances, or in its own right?

In trust for the company; 45,348*l.* 1*s.* amount of stock taken back at sundry valuations to cover hazardous advances, bills, &c.

15.—Places at which promissory notes and bank post-bills are made payable?

The promissory notes are payable at the several branches where they are issued.

No bank post-bills were ever issued.

16.—At what date or sight bank post-bills are issued?

None were ever issued.

17.—Rate of interest paid by the bank, whether on deposits or balances of account?

On deposits for current accounts, 2 per cent. per annum. On deposits exceeding three months, 3 per cent. per annum.

18.—Variations in such rate, and date of such variations.

None.

19.—Date to which the account is made up?

To 25th February 1837.

REPORT of the AUDITORS appointed to audit the Accounts, Assets and Common Concerns of the Agricultural and Commercial Bank of Ireland, to the Shareholders of the Bank.

Dublin, the 17th day of April 1837.

WE, being four of the Auditors appointed "to audit the Accounts, Assets, and common concerns of the Agricultural and Commercial Bank of Ireland," have agreed upon the following Report:

In consequence of the misunderstanding existing between the proprietors and the consulting committee, respecting the legality of the resolutions passed at the general meeting on the 20th March last, much of the short space allotted us for the performance of our duties was wasted in an unprofitable correspondence, as to the source from which our authority was derived; a copy of which we have placed in an Appendix, No. 1.

As soon as this preliminary difficulty had been overcome, we diligently proceeded to an investigation of the accounts, and in the first place requested the balance sheet upon which the Report to the late general meeting was founded; when we were handed a paper drawn up to the 25th of February last, entitled "Liabilities and Assets of the Agricultural and Commercial Bank of Ireland."

This document, which accompanies this our Report, we made the basis of our inquiry, and no time was lost in testing the accuracy of it by the standard usually adopted, namely, a reference to the ledgers; and we regret to add that, tried by this mode, we cannot certify for its accuracy. On the contrary, we found it impossible to reconcile one with the other, and were obliged to relinquish the attempt.

It may be right here to explain, in reference to this part of the subject, that in the short space of two years several schemes for a uniform plan of accounts were attempted, none of which were carried into complete operation; and we cannot, in justice to Mr. Brierly, the present accountant, hold him responsible for the inaccuracies which such a practice necessarily produced previous to his employment.

Mr.

Mr. Brierly informed us, that the sheet before adverted to was not framed entirely from the ledgers, as in ordinary cases it ought to have been; but that he had had it constructed from a variety of memoranda, principally returns made by the branches.

Having found that a perfect balance sheet was not attainable, we directed our inquiry to the correctness of the document before us, and the result of our investigation is shown in the differences contained in Appendix, No. 2.

On referring to that Appendix, it will be found that the differences were so numerous and important, that we determined to ascertain the extent of "Liabilities and Assets" in some other way. And having suggested to the consulting committee what we considered the most satisfactory means of doing so, namely, by public advertisements addressed to the note-holders, &c., and by letter to those bankers and others having larger dealings with the company, requesting them to send in their accounts; the committee accordingly adopted that course on the 4th instant, and by this mode we discovered many of the existing differences.

Although we have satisfied ourselves that the estimate of outstanding notes of the company, made at the 25th February, was considerably short of the amount since retired, we are induced to think that a very small sum of liabilities under this head can now remain outstanding.

We next directed our inquiry to the amount of partnership stock; and here several difficulties presented themselves. In the first place, no general account under that head had been kept in any one ledger, but the transactions have been scattered throughout several books; and as a search through them would be attended with great delay, we have assumed the amount issued to be that which is stated in the printed account of October last, and which we have the more readily done, as such account had been verified according to the Act of Parliament.

As there is no detailed account of the stock taken back or repurchased, to correspond with the amount stated in the general sheet of February last, we have adopted an estimate made by Mr. Brierly, namely, that it amounts to 45,348 *l.* 1 *s.*, thus showing an excess of 10,000 *l.* above the amount therein returned. If indeed such transactions can be entertained as just and legal, in our judgment such stock is to be considered as an investment subject to valuation; and on the other hand, we consider the parties who have paid the third instalment, amounting to 23,108 *l.* 4 *s.* 6 *d.*, to have to that extent a preferable and paramount claim on the funds of the company, to those shareholders who have not paid the same.

The next important head of inquiry relates to the assets, which appeared to have consisted, on the date of the last Report, of "Bills current and over due," "Cash," "Cash credits," "Bank property," and "Royal Bank stock," to which is to be added the value of the shares taken back or repurchased, as before alluded to. We have already shown how little reliance can be placed upon the statement of 25th February, as regards the liabilities therein set forth; and of course we cannot vouch for its accuracy in respect to the amount of assets. It should however be remembered, that the same kind of error, namely, that of omission, was not so likely to occur in the detail of property on hands as in that of outstanding engagements; the one being positive, the other negative.

Supposing, therefore, the amount of property enumerated to be correctly stated, our next step was to estimate its value. This being a task of such peculiar delicacy, difficulty and importance, we have entered upon it with great caution and reluctance; and although we have visited the branches mentioned in Appendix, No. 3, and consulted the parties in our judgment best qualified to afford us correct information, we have not been able to come to any satisfactory conclusion as to the value of the bills and cash credits. We are, however, convinced that a considerable loss must be sustained under these heads; and that it will require the most judicious, prudent and economical management to guard against such being to a ruinous extent.

With respect to bank property, as returned at 29,200 *l.*, no detailed account has been produced; nor have we seen anything at those branches which we visited to warrant us in believing that any such amount could be realized.

Regarding the valuation of Royal Bank stock returned as 13,850 *l.*, (which we found had been omitted in the sheet of Liabilities and Assets,) the consulting committee have stated that, by the operation of a particular engagement, said stock ought to be estimated at its original cost, and not at the present market price; we therefore refrain from making any reduction under this head.

We think we should very insufficiently discharge the duty for which we were appointed, if we did not state our impression of the general management of the Agricultural and Commercial Bank of Ireland, as proved by the results; and whilst we are anxious to perform this part of our duty with the kindest feelings towards all, believing that both proprietors and directors have one common interest, we hope we shall do so firmly and fearlessly, determined to know nothing of, and care nothing for, the particular views of any party.

That a very considerable loss has been sustained is but too apparent; and whilst we readily admit that the consulting committee have had to contend with difficulties of no common kind, yet we are of opinion that under better management such loss would have been greatly diminished.

We have found that there was no efficient control over the branches, and that the system of inspection was most imperfect; a complete absence of plan for checking the accounts existed at the Head Office in Dublin; and the book-keeping has been so faulty, that we are convinced no accurate balance sheet could at any time have been constructed.

We have in vain looked for an account of "Outfit," or of "Premiums" received; and we must add that the personal accounts at the Head Office require a diligent and searching revision. But we will not pursue this painful subject further; experience has probably sufficiently

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No. 107.
Agricultural and Commercial Bank of Ireland.

ciently pointed out these and other errors, which may be avoided in future; and whilst we are far from asserting that a total change of directors is essentially necessary, we think that the proprietors have reasonable grounds for expecting that the power of making some change should at once be offered to them.

Robt. Molloy,
Wm. Robinson,
Wm. Goodier,
Geo. Dundas, } Auditors.

Appendix, No. 1.

CORRESPONDENCE WITH THE CONSULTING COMMITTEE.

Gentlemen, 9, College Green, Dublin, 27 March 1837.

WE, the undersigned, beg leave to inform you, in compliance with a resolution agreed to by the proprietors of stock in your company, at the special general meeting of the company, held on Monday, the 20th instant, at Morrison's Hotel, Dawson-street, Dublin, a copy of which is hereunto annexed, that we are ready to act as auditors; and for the purpose of doing so effectually, request you will give us such authority over your officers, &c., by letter or otherwise, as may enable us to carry said resolution into full and complete effect.

We shall feel obliged by your answer to this application, in writing, in the course of this day, for our further guidance.

We have the honour to be, Gentlemen, your most obedient servants,

(signed) *William Goodier,*
George Dundas,
William Robinson,
Robert Molloy,
William Bell.

To the Directors of the
Agricultural and Commercial
Bank of Ireland, 63, Fleet-street.

COPY of the RESOLUTION, moved by Thomas Johnston Smith, of Lisburn; seconded by Robert Foster, of Belfast, Esquires.

Resolved unanimously,

THAT William Goodier of Manchester, Robert Molloy and William Robinson of Dublin, George Dundas and William Bell of Belfast, Esquires, be appointed auditors, to audit the accounts, assets and common concerns of this company; and for that purpose they are hereby empowered and authorized to call for and enforce the production to them of all vouchers, books, minutes, securities and other documents belonging to this company, wherever the same may be deposited; and to require and enforce the aid and attendance upon them of all officers and other persons in charge of the affairs of this company; and for that purpose we, the proprietors of stock of said company, do expressly authorize and empower the said auditors to take such measures, from time to time, as may be necessary to enable them to carry into effect this our resolution.

ANSWER.

Agricultural and Commercial Bank of Ireland.
Dublin, 63, Fleet-street, 27 March 1837.

To Messrs. *Wm. Goodier, Geo. Dundas, Wm. Robinson, Robt. Molloy* and *Wm. Bell.*

Gentlemen,

I AM directed by the consulting committee to inform you, that your letter has been submitted to a special Board, and considered with every attention; and that they have readily agreed to Messrs. Dundas, Goodier, Robinson and Molloy being four auditors, according to the original agreement between the Board and the Northern and English shareholders, and under the resolutions agreed upon with said Northern and English shareholders.

The Board are ready to meet the four gentlemen named at any hour to-morrow they may specify, within convenient limits, to arrange the mode and manner in which, with convenience to both parties, the duties of the auditors may be fulfilled.

I am, Gentlemen, your most obedient servant,

9, College Green. (signed) *W. Hughes.*

Sir, 9, College Green, Dublin, 27 March 1837.

WE have received your letter of this day, and in the absence of Mr. Molloy we cannot come to any decision upon it. He is expected in Dublin on Wednesday, and in the meantime we desire to know from you whether or not it is the intention of your Board to allow us access to all documents necessary to enable us to report on the several heads of inquiry contained

contained in Mr. Mahony's letters to your Board, under date of the 17th and 19th instant, copies of which you will find in the Dublin Evening Mail of the 22d instant, and now enclosed.

We are, Sir, your very humble servants,

(signed) *William Goodier,*
William Bell,
George Dundas,
William Robinson.

William Hughes, Esq.,
Secretary to the Agricultural and Commercial Bank of Ireland.

ANSWER.

Agricultural and Commercial Bank of Ireland.
Dublin, 63, Fleet-street, 28 March 1837.

To Messrs. *Wm. Goodier, Wm. Bell, Geo. Dundas* and *Wm. Robinson.*

Gentlemen,

I HAVE the honour of your letter of the 27th instant, which shall be submitted to the Board, and in the meanwhile I beg leave to refer you to mine of yesterday, written by order of the Board, on the same subject.

I am, Gentlemen, your obedient servant,

9, College Green. (signed) *William Hughes.*

Agricultural and Commercial Bank of Ireland.
Dublin, 63, Fleet-street, 28 March 1837.

To Messrs. *Wm. Goodier, Wm. Bell, Geo. Dundas* and *Wm. Robinson.*

Gentlemen,

I AM directed by the Board to refer you to their letter of yesterday, and to further state that they must decline allowing you access to all documents, &c. for the purposes mentioned by you, to enable you to report on the heads of inquiry contained in Mr. Mahony's letters of the 17th and 19th instant, as published by that gentleman in the Evening Mail of the 22d instant; considering such heads of inquiry as quite beside the business of a fair and impartial audit of the accounts of the company.

I am also directed to state, that the Board have decided that they cannot recognise Mr. William Bell as an auditor, for reasons heretofore stated, nor can they allow of his interference; but to the four gentlemen named in mine of yesterday the Board are willing to give every facility, under the resolutions agreed upon with the deputation of the Northern and English shareholders; presuming of course that their acting will be under a proper test, and qualified according to the laws of the company.

I am, Gentlemen, your very obedient servant,

(signed) *William Hughes.*

Dear Sir, 9, College Green, Dublin, 28 March 1837.

YOUR two letters of this day's date have been received by the auditors, who authorize me to request that you will favour them with a copy of the test required by the Board, (to be taken by us,) alluded to in your second letter, so as to facilitate our proceedings on the return of Mr. Molloy to-morrow morning.

I remain, dear Sir, yours faithfully,

William Hughes, Esq., Secretary, (signed) *George Dundas.*
Agricultural and Commercial Bank.

ANSWER.

63, Fleet-street, 28 March 1837.

George Dundas, Esq.

Dear Sir,

I WILL feel much obliged by your having the kindness to inform me to what auditors you refer, in your favour requiring copy of the Test: this information may facilitate the matter when brought before the Board.

I am, dear Sir, yours truly,

9, College Green. (signed) *William Hughes.*

— I. —
Returns from Banking Companies.

No. 107.
Agricultural and Commercial Bank of Ireland.

9, College Green, Dublin, 28 March 1837.

William Hughes, Esq.

Dear Sir,

In reply to your third letter, just received, it is out of my power to give a definite answer to your query, before conferring with Mr. Molloy on his return; but your compliance with my previous request for a copy of the Test will enable us the sooner to come to a consideration of the business now pending.

I am, dear Sir, yours faithfully,
(signed) *George Dundas.*

Secretary to the Agricultural and Commercial Bank, 63, Fleet-street.

Agricultural and Commercial Bank of Ireland.
Dublin, 63, Fleet-street, 28 March 1837.

George Dundas, Esq.

Dear Sir,

According to your desire, I beg leave to enclose the Test to be taken by auditors previous to entering on the examination of the accounts and assets of the bank.

I am, dear Sir, yours very truly,
(signed) *William Hughes.*

9, College Green.

Agricultural and Commercial Bank of Ireland.
Dublin, 63, Fleet-street, 28 March 1837.

Test for Auditors.

We, whose names are hereunto subscribed, being auditors, suggested at a meeting held on the 20th instant, in the city of Dublin, and assented to by the Board of Directors of the Company, to investigate the accounts of the Agricultural and Commercial Bank of Ireland, do hereby pledge ourselves solemnly, and bind ourselves individually, not willingly, or by prejudice, predilection or partiality to adopt any measures, use any language, or communicate to any person or persons, any isolated or collected portion of the business transactions of this company, so submitted for our examination, (save and except the just and impartial Report of our labours to be made to the half-yearly meeting of shareholders only, on the 17th day of April next,) so as in anywise to affect the property or depreciate the assets of this company, or that could be fairly construed to the prejudice of the future interests of the company.

Signed in the presence of

9, College Green, Dublin, 29 March 1837.

William Hughes, Esq.

Dear Sir,

I am requested to inform you, for the information of the Board, that in consequence of one of the auditors (Mr. Molloy) not having returned to town, it is impossible for us to proceed further until he arrives.

I remain, dear Sir, yours faithfully,
(signed) *George Dundas.*

Secretary to the Agricultural and Commercial Bank of Ireland, 63, Fleet-street.

We, the undersigned, being four of the five auditors appointed on the 20th instant by the proprietors of the Agricultural and Commercial Bank of Ireland, having first read the following documents:—

1st.—The resolutions of the proprietors assembled on the 20th instant appointing us, with Mr. Bell, as auditors;

2d.—A notification of your Board, signed by your secretary, and dated the 27th instant, appointing us auditors under the authority of your Board, to the exclusion of Mr. Bell;

3d.—The letters addressed by us to you, and dated respectively 27th, two of 28th, and 29th instant, with your four replies, dated 28th instant;

4th.—The form of a Test to be signed by us, enclosed in your letter of the 28th instant;

Do hereby inform you that, without waiving our right as auditors under the resolutions of the 20th instant, and protesting against your rejection of Mr. Bell from the audit, we are willing to undertake the discharge of the duties assigned to us, so far as we have power to do so; but before we enter upon any investigation of the affairs of your company, we think it absolutely necessary that we should be fortified by a written authority over your officers, signed and delivered to us by you individually, distinctly embodying our authority to make such audit, so as to enable us legally to enforce the authority intended to be given to us as auditors, as occasion may require.

In reference to the Test which you call upon us to sign, we beg to decline doing so; because we are of opinion, that if we are fit for the office to which we have been appointed,

no

no such Test can be necessary. It is our intention, as we consider it our duty, to enter upon and conduct our audit in the most impartial and amicable spirit; but it must be as searching and effectual as we can make it.

If you think fit to adopt the proposition, we are ready to proceed immediately upon the receipt of the written authority to which we have before adverted, and which we only wait to commence our duties; but to avoid further negociation, we think it right to inform you that by this communication we mean to abide.

9, College Green, 30 March 1837.

9, College Green, 30 March 1837, quarter past Four o'clock.

William Hughes, Esq.

Dear Sir,

I AM instructed to inquire if we may expect an answer to our letter sent to your Board this morning, and how soon?

For self and Co-auditors,
I am, dear Sir, yours faithfully,
(signed) *George Dundas.*

Secretary,
Agricultural and Commercial Bank of Ireland.

Agricultural and Commercial Bank of Ireland.
Dublin, 63, Fleet-street, 30 March 1837.

To Messrs. *Dundas, Goodier, Molloy* and *Robinson.*

Gentlemen,

I HAVE the honour to inform you that the Board have fully considered your letter, and would feel obliged by your meeting them in the Board-room, at eleven o'clock precisely to-morrow morning; previously to which the resolutions of the Board will be transmitted to you.

I am, Gentlemen, your very obedient servant,
9, College Green. (signed) *William Hughes.*

63, Fleet-street, 31 March 1837.

To Messrs. *Dundas, Goodier, Molloy* and *Robinson.*

Gentlemen,

I BEG leave to enclose the resolutions of the Board on the subject of your favour of yesterday.

I remain, Gentlemen, your most obedient servant,
9, College Green. (signed) *William Hughes.*

At a Meeting of the Consulting Committee of the Agricultural and Commercial Bank of Ireland, held 30th March 1837.

Present:—The Right Hon. the Lord Mayor, James Dwyer, Thos. M. Gresham, John Chambers, Philip Jones, John A. Palmer, and Despart Taylor, Esqrs.

A LETTER from Messrs. Dundas, Goodier, Molloy, and Robinson having been read and considered, as also the memorandum of 7th March instant, whereby, amongst other things, it was resolved to invite a meeting, "To appoint four auditors to examine the accounts and affairs of the company; and for that purpose they should be fully authorized and empowered to call for and require all vouchers, securities, and other documents belonging to the company; and the personal aid and attendance of all officers and other persons in their employment; and to report thereon to the general half-yearly meeting, to be held on the third Monday in the month of April; it being the main object of such audit to ascertain the nature and amount of the existing liabilities, and to estimate the available assets of the company."

Resolved, That we hereby require, authorize, and empower the several managers and officers of the establishment, to render every information and assistance requisite and necessary in the opinion of the auditors, namely,

George Dundas, William Robinson, Robert Molloy, and *William Goodier*, Esqrs.

and to produce all books, vouchers, and documents necessary for the purposes of audit, and for the purposes mentioned in the foregoing resolution or extract from the minute of the 7th of March instant;

And in order to have a full and satisfactory audit of the accounts of the company,

Resolved, That under the fullest conviction that the four auditors named and agreed upon will discharge their duties with all the secrecy proper and necessary in such transactions, and under the spirit of the letter addressed to us by Messrs. Goodier, Dundas, Robinson, and Molloy, on the subject thereof, we dispense with their signatures to the Test of secrecy heretofore transmitted to them.

[*To be signed by all the Members of the Board.*]

— I. —
Returns from Banking Companies.

No. 107.
Agricultural and Commercial Bank of Ireland.

Appendix, No. 2.

Showing the Difference resulting from our Inquiries, as contrasted with the Sheet of "Liabilities and Assets" of 25th February 1837.

1.—Castlebar Branch is charged as holding 19,541 *l.* 6 *s.* 9 *d.* in bills more than the actual amount. This error is stated to us to have arisen from adopting the amount appearing in the ledger, instead of that shown by the abstract received subsequently from that Branch.

2.—From Killarney Branch no perfect balance sheet has been returned; that from which the estimate is taken shows an error of 1,899 *l.* 19 *s.* 4 *d.* to the prejudice of the assets.

3.—The October dividends amount to 9,375 *l*; from which is to be deducted such portion as has been paid, the extent whereof we have no power of ascertaining, but consider the balance remaining yet due must be large against the assets.

4.—Current bills at Head Office over-estimated 21,819 *l.*

5.—The following accounts due to persons to the 25th February, and paid soon after out of the assets, had not been included amongst the liabilities; viz.

Robert Gray's salary, commission, &c. 8th July 1836 - - - -	£.890
Directors' salaries and travelling expenses, paid on the 27th February	1,000
Hollbrook and Co.'s account, paid in March - - - - -	2,100
Chambers' account - ditto - - - - - - -	552
	£. 4,542

6.—A sum of 1,778 *l.* is returned as owing by Messrs. R. Guinness and Co., which is denied by them.

7.—Batho and Bingley of London returned as debtors, 1,490 *l.*; whereas they claim to be creditors 2,706 *l.*, making a difference of 4,190 *l.*

8.—Bank property set down as 29,200 *l*; we have already in our Report expressed our opinion as to this property.

9.—Agricultural and Commercial Bank stock re-purchased, 45,348 *l.* 1 *s.* We refer to the Report for the view we take of this matter.

10.—In the Cork Branch, on inspection, there appeared a deficiency of 7,398 *l.* of the sum returned as due by that branch.

11.—Bank notes issued were returned in the sheet as 5,000 *l.* outstanding; since that period there appears to have been retired 16,902 *l.* 10 *s.*, after allowing for all notes on hands at the branches on the 25th February; this causes a difference of 11,902 *l.* 10 *s.* against the assets.

12.—Of the cash balance at Head Office, 900 *l.* appears unavailable.

13.—J. D. Dowd, of Drogheda, returned debtor for 2,445 *l.* 8 *s.* 4 *d.*, has since rendered an account acknowledging only 816 *l.*, making a difference of 1,629 *l.* 8 *s.* 4 *d.*

14.—In ten accounts furnished by bankers, the result is a difference to the prejudice of the assets of 8,775 *l.*

15.—The account of profit and loss, assumed in the sheet of 25th February as 11,140 *l.* 6 *s.* 2 *d.* to the credit of that account, is erroneous, and should not have been introduced; thereby producing a loss of 6,265 *l.* 14 *s.* 5 *d.* instead of 4,874 *l.* 11 *s.* 9 *d.* surplus, as stated therein.

16.—Royal Bank stock; see Report, to estimate the value to credit of the company.

17.—In the summation of the aggregate cash, there is an error in favour of the assets of 52 *l.*

18.—Kilkenny Branch holds securities to the amount of 606 *l.* more than is returned, which is an error to that extent in favour of the assets.

19.—John Boyd, of Newry, is debtor 435 *l.* omitted, which is in favour of the assets to that amount.

20.—We refer to our Report for the opinion we entertain of the probable loss on the bills and cash credits, which amounted in the aggregate to about 290,000 *l.*

Appendix, No. 3.

Branches visited by the Auditors.

Kilkenny,	Castlebar,	Longford,
Waterford,	Ballina,	Cavan,
Cork,	Sligo,	Clones,
Limerick,	Boyle,	Enniskillen,
Ennis,	Strokestown,	Omagh.

Being unable to devote a larger portion of our time to this part of our duty than five working days, it was impossible to embrace a greater number of branches in our inspection; we therefore selected such of them as we considered would afford the best criterion for making an average estimate of the entire, the business of those we visited comprehending examples of the system pursued in the trade of each of the four provinces. And though it may appear invidious, we think it just to add, that the business transacted at the branches in the province of Ulster, both as regards the subscribed capital, the securities discounted, and the sums lodged as deposits, appears to have been of a better and more legitimate character than that transacted in the other provinces.

REPORT of the STATEMENT made by James Dwyer, Esq., Barrister-at-law, Chairman of the Board of Directors of the Agricultural and Commercial Bank of Ireland, made on the subject matter contained in the Auditors' Report, 17th April 1837; to which is annexed, the Accountant's subsequent remarks.

[The following is the most correct Report which has appeared of the statement of Mr. Dwyer, chairman of the Board, made on the moment at the reading of the "Auditors' Report," on 17th April 1837, which, together with the Accountant's subsequent explanations of the discrepancies alluded to in the Appendix of that document, is referred to by the Board of Directors, with the other calculations subjoined.]

MR. DWYER'S STATEMENT.

Mr. Dwyer came forward amidst general cries of "hear Mr. Dwyer." He said he would not prolong the meeting by any more lengthened observations than such as would be necessary in explanation for himself and the Board with which he had the honour to act (hear, hear). He could assure the meeting that there was not one amongst them who wished more anxiously to have a report before him than he did—and the reason was evident. For from all the reports and whisperings which have been circulated to the prejudice of the Board, it was quite plain that the public mind could be best satisfied by the appointment of auditors who should report the result to a general meeting of the shareholders (hear, hear). He would beg that his standing forward there should not be construed into presumption, as taking upon himself the task of vindicating the Board; but he would ask was there any mercantile gentleman there present belonging to the Board who would come forward to discharge the duty? If so, he would most gladly give way to him. He stood there as one having heard the Report for the first time, and consequently claiming all reasonable indulgence in replying to its statements. He knew that propositions had been made for copies of these accounts to be furnished before the meeting; but he nor the Board did not seek them, considering it irregular until the meeting was assembled. The Report glances, and only glances, at a discrepancy in the balance sheet; although from the place where he sat he could only hear imperfectly, yet he was near enough to perceive that it did not point out, at least he could not gather that it did point out, the aggregate difference existing between itself and the account of the 20th March. He would ask what was the difference; was it twenty thousand or thirty thousand, or fifty thousand? was it more or was it less? (hear, hear.) [Mr. Molloy said something to Mr. Dwyer in a low tone.] Mr. Dwyer continued: Perhaps they were right. It might, as suggested by Mr. Molloy, have been prejudicial to the interests of the company to have done so; because, if it were stated what the bills were estimated by the auditors as worth, as in the case of the Northern and Central Bank of England, it might lead people only to pay that amount, however erroneous the calculations of the auditors; and therefore he thought they acted prudently; but still he was glad that there was a reason for pursuing such a line of conduct. The first part, then, referred to the discrepancy in the account of the 20th March, telling, in most instances, against the view presented by the Board (hear, hear). Now, he would ask, could they suppose that the Board had any interest in a suppression of the truth? (cries of "oh! no.") Well, he would put it forward in the most unfavourable point; they had a right to an explanation. He was told that all their hopes would be realized, and although he felt delighted at such a prospect, yet, was he himself sceptical upon the point, because he considered that after the run, pressure and difficulties of the company, it was natural to expect there must be loss. The accountant was ordered to be present with the books of the branch banks on the 20th March, that in explaining the balance-sheet he might show that they were subject to bills overdue to the extent of 100,000 *l.* The accountant actually was in attendance at the meeting on the 20th ult., ready to enter upon all details, but owing to the impatience of the meeting (he would not give it a harsher name) a hearing could not be procured for him, and so far did that circumstance exculpate the board of directors (hear, hear). It was stated that their books were not well kept; perhaps there might be some truth in that, as he himself did not profess to be a good accountant, nor did it belong to his department to be so (hear, hear). Let them consult some of the directors of the Bank of Ireland and other banks to ascertain what was properly the duty of a bank director. If there are proper accountants and proper managers entrusted with the care of the books and the custody of their different departments, did they not rely on their bookkeepers and managers for accurate returns? and the duty of a board of directors was to watch the results, and be guided in their proceedings by them. The directors look at the balance-sheet, and they look at the accounts of individuals; that was their duty; and all banks must, to a great extent, depend upon the ability and accuracy of their managers and accountants. Now he would admit that in the accounts of the bank there were inaccuracies; but let it be recollected that upon that bank, upon that infant establishment, there were no less than four runs (loud cries of hear, hear). In speaking thus, let it not be supposed that he had anything to do with originating the Agricultural Bank. Whatever merit might have been in that, belonged to Mr. Mooney, an enterprising individual. He (Mr. Dwyer) saw the prospectus for the first time in the papers, and that it was proposed to be a purely Irish establishment; and because it was so, and for no other reason, he threw his best exertions and feelings into it (loud cheers). He saw in it many advantages; he saw in it the means of uniting together his hitherto unfortunately divided country (cheers); to have united all creeds and parties; and he believed it would have accomplished all its promises only for the starting of another joint stock bank about the same time (hear, hear, and question). He was accounting for the way in which the inaccuracies crept into their book (hear, hear). That injudicious rivalry between the National Bank and the Agricultural Bank led to a kind of struggle between them, as to who should first open a branch in this place, and who

should succeed in first opening a branch in that place; a struggle which brought forth a declaration from a gentleman exercising great influence over the minds of his countrymen, that the Agricultural Bank should be put down; a declaration which excited on the other hand a determination in his mind and others, the early supporters of the project, that it should not be put down (cheers), because they considered it a bad precedent to allow any individual, however powerful, to forbid a commercial concern to proceed. But the consequences were such as always follow contention, for contention always leads to the injury of property, which he would beg to impress upon the meeting. In July 1835, the injudicious rivalry he had alluded to produced a run on the Agricultural Bank. If there is a run upon a bank of issue, the books are apt to get into disorder; and according to the length and tenacity of the run is the difficulty of afterwards unravelling accounts, and getting the accounts in order. The committee had at the time an accountant, whom he believed was competent; he was replaced by Mr. Mackenzie, a gentleman deemed eminently competent for such a situation; one whom they could not quarrel with, as he was from Scotland, the parent of banking. They thought, in fact, that in getting a manager from that country they had taken a most prudent step (hear). Every thing in March and April 1836 looked flourishing as to banks, and that was the period when, as would appear, unfortunately for both parties, the committee were invited to send a deputation to Belfast. The shares were then at a premium in Dublin and in England, and all was good humour. They changed to a discount, and complaint ensued: shortly after came that pressure in England and in Ireland on the banking interest, which was severely felt by the Agricultural Bank, being a young institution; and great exertion was necessary to meet the contingency. From October last the run was very severe upon the bank, and finally, as they knew, caused its suspension in November. It was but justice to Mr. Mitchell, the late manager, to declare that during that period his mind was taken up in devising means to provide funds to meet the pressure; and the energy of the manager and many of the officers were almost of necessity attracted from the attention which was so necessary to the state of the books by the daily exigencies occasioned by the run. He would appeal to the knowledge of all bankers as to the temporary confusion occasioned by a pressure on a bank with numerous branches: it best demonstrated the prudence of a limitation in their number, so as to prevent complexity in management. In November the bank owed, say 800,000 *l.* And how was it met? Why, every note demanded was paid, and every other fair demand; and this, too, without the aid of any powerful individual to go to the Bank of Ireland and induce liberality (loud and long-continued cheers). That sum of nearly 800,000 *l.* was paid out of 900,000 *l.* of bills in their hands on the 14th November. Gentlemen, that was no bad test of the value of that property which some sought to run down and depreciate. The despised Agricultural bills proved not so despicable. And now, where was the note-holder; was there a man in that room who could stand up and say, "there is a one-pound note"? (cheers.) And how were they to pay 800,000 *l.* except out of the bills on hands? So much for those who cried down that property. They paid that sum in the short space of three months, without allowing a single legal proceeding against the bank; and he regretted to say that, in place of thanks, or any fair consideration, they had met calumny and gross misrepresentation. How did Belfast act in the emergency? Why, five days after the suspension the local shareholders held a meeting, with the intention, as was stated, of advising the dissolution of the company; and he was taken to task in a speech reported to have been made by a most respectable merchant of that town, because he had prevented so unwise a course, with the debts unpaid. Had they done so, gracious God! where would they have been now? how much of the 900,000 *l.* of bills would have now been paid? (applause.) In facing such a state of things as thus presented itself at the suspension of the bank there was some merit due to the directors: for had they only consulted their own ease and quiet; had they not valued public credit more than personal advantage; they had only to order the doors of all the branches to be shut, and fold their arms while the crash was without. They were right in keeping the branches open; by doing so, the property of the shareholder was protected, the debts were collected in, and panic prevented from extending to other banks. This being done, such branches as were not judicious to continue should be closed or amalgamated with others in their vicinity. Having disposed of these general topics, he would come more immediately to the details. (Here Mr. Dwyer read that part of the report which related to the Castlebar branch.) He would ask, was there any charge of wilful inaccuracy which could be grounded on that error? He would, as the best test, call upon the manager of that branch, if he were in the room, to state how that occurred. He saw one of its local directors present, and to him he would refer; he was known to be most respectable and intelligent; he alluded to Mr. Malley. Then, as to the error in the Killarney branch, there not having been a perfect balance-sheet, he could only say that, because a balance-sheet or return was omitted from a branch bank, should not properly form a charge against the board of directors. With regard to the October dividend, the auditors came to a correct conclusion; not much of that had been paid, for obvious reasons; why the sums paid had not been stated. He was free to acknowledge, that until he asked the accountant the question, he could not answer why they did not appear on the books. The accountant was present, and to him he referred. The fourth point related to an over-estimate of the current bills at the head-office; that, he believed, arose from the manner in which some having been, as he understood, transmitted from the branches direct to the law agents, without sending them, as was proper, through the head-office; and he believed that could be satisfactorily explained. The fifth point he could readily explain. As to Mr. Gray's salary, the facts were these:—Mr. Gray was engaged as the agent of the bank in Dublin at a salary of 500 *l.* a year; finding, however, the agency, as he declared, to be more troublesome than he expected, he demanded 1,000 *l.* a year; the directors, however, would not consent to it, as they considered 500 *l.* a year quite enough, and

in proof of that the Royal Bank had charged no more. Mr. Gray said that he had a right, however, to 750 *l.*, because in a conversation with some of the committee they gave some kind of opinion, in accordance, as he said, with his views. The committee, having been offered to have the agency transacted for 500 *l.* per annum, would not give Mr. Gray any more, upon which he declined to continue, and, considering that an agreement had been made with him for 750 *l.* per annum, he retained 1,735 *l.* of the notes of the bank in his hands, and said he would not give them over to the committee on the day on which he had, as agent, retired, as was the usual habit, and there they remained whilst his claim for increased salary was being discussed. When it came to be a question of law, it was deemed more prudent, to avoid litigation, to yield the point, and Mr. Gray was paid what he demanded, which, with commission, &c., amounted to 890 *l.*; and that took place about the time there stated. Thus, he believed, that apparent discrepancy was explained (hear). As to the directors' salary, he would only say that, presuming they did their duty, 1,000 *l.* among them was not too much. The salary to individual directors in the Belfast banks amounted to nearly this sum. As to travelling expenses for directors, he knew of none except by one of the Belfast directors on travelling on the business of the bank. He presumed that was a proper charge, and very fair to be paid, or any travelling expenses incurred on request of the board (hear, hear). Mr. Dwyer next referred to Mr. Holbrook's account, which was for engraving and printing, but, owing to some difference as to amount, it was but lately settled—the date of the payment might not have been properly classed in the books; and on this he must refer to the accountant, not knowing how, exactly, the fact was. As to Messrs. Guinness' account, if there was an error, it arose from the extent and complexity of an agency account in exchange of the company's notes from its first formation, whilst that house were agents; extending itself over a number of branches, too rapidly, he would admit, put in progress—the difference arose from retired notes not accounted for, as appeared by the books of the bank—about 1,700 *l.* Most diligent examination had been made, as he was informed by the officers, into this difference, and as yet it had not been traced; but from the high character of Messrs. Guinness, and the entries in their books, it appeared pretty conclusive that the error was not with them. Next came the item relative to Batho & Bingley's account; that, from recollection, he thought he could satisfactorily explain; fortunately he had it well upon his recollection: they were note engravers to the bank in London, with whom there was a running account; they agreed to take three hundred British shares of the bank stock in March last—it was then in good repute—for which they were to pay by bills, drawn on them for that amount. The bills were drawn on them for 3,000 *l.*, which they accepted; but banking affairs became gloomy, and then they complained, and intimated that it would not be convenient for them to pay, and claimed a promise to renew them. The bank was therefore obliged to retire those bills, (a voice—"why?") because they wrote over that it was not their convenience to provide for them from the heavy advances they made in their business. They sent them over the money for the bills, and agreed to renew the bills for one-half, and to debit their account with 1,500 *l.*, drawing three bills for 500 *l.* each for the balance, which, when sent over, they declined to accept. Mr. Bingley, one of the partners, within the last fortnight, denied that they had taken in the shares at all, or had any right to take them, and that his partner would not bind him in the transaction. From the dispute on this head would seem the error. £.29,000, the outfit property of the bank, was thought to be rated too high. He must say he was of the same opinion; but the auditors had only visited sixteen branches out of the forty-five, and some of those the worst. If they were to resume business again (cries of "never" from one side, answered by cheers from the other,) he would say, at all events, that if they violently wound up that property it might not realize 5,000 *l.*, whereas in a continuing concern it would be much more valuable. As to the 43,000 *l.* of Agricultural Bank stock stated by the auditors to have been repurchased, he must say the word repurchase did not appear applicable. The taking back of the stock in many instances arose from the structure of the original prospectus, with which, as he before stated, he had no connexion. It had many good points and some errors. A stipulation was made that managers of branches should take 300 shares or 500 shares, and no exception was made except in favour of Mr. Dundas, of Belfast, (a voice—"Enniskillen,") no, in Enniskillen the manager had taken his stock by engagement, although he believed he had not paid for it, but was very well able to do so. Where a manager was discontinued, from economy and not from his own voluntary resignation, or through any error, the committee had considered him entitled to a return of the money invested, and in the exercise of this discretion he, on behalf of the board, explicitly denied any bias or favouritism. There had been cases of taking back stock in payment of cash credits of the party not otherwise able to pay. He would beg particularly to mention the case of Mr. Walpole, because it had been made the ground of heavy charge against the board most unjustly. That gentleman was one of the Society of Friends, a people whose character stands high indeed in the scale of integrity. He held 3,000 shares, for which he paid full price, on the strength of which, and his own personal standing in trade, he had a cash credit for 4,200 *l.* He was an extensive flour dealer, and had large mills valued, according to report, at 7,000 *l.* From his position as a merchant, and the stock held, the board did not think 4,000 *l.* too large a credit at the time. Mr. Walpole, finding that he had extended his trade too far, and stating such to be the case, put it to the bank to take back the shares, or that he should be unable to pay, in which case it was highly probable, when all might be involved, that the other creditors would lay claim to a part of the security which the bank held. Furthermore, he agreed to give full and ample security for the balance, 1,450 *l.*, if his stock were taken back, deducting outfit and dividends (hear, hear). Now, notwithstanding the statement so made, and the inducements so held out, so sceptical were the directors as to Mr. Walpole's

— I. —
Returns from Banking Companies.

No. 107.
Agricultural and Commercial Bank of Ireland.

threatened difficulty, that they consulted some of the Society of Friends, deeming that they could give the best opinion of one another, and, among the rest, Mr. Pim, the chairman, whom he was then addressing, and the result was, that he coincided with the board that it was expedient to agree to Mr. Walpole's offer. He was thus particular in explanation, as this transaction was made a charge in the bill in Chancery, which had been manufactured on similar unfounded calumnies (hear, hear). A like explanation applied in fact to the entire items; and it would be found that in no instance had stock been taken back but where the interests of the company or engagements required it. As to the item relating to the Cork branch, the board were suing Mr. Bennett, the manager. In that stage of the proceedings he would pass no opinion on the claim one way or the other; but from their investigation of the books, they claimed a considerable balance from Mr. Bennett. But in regard to their managers, he was sorry to be obliged to declare, that they were encouraged in all kinds of insubordination against the authority of the board by circulars from Belfast, and the insidious attacks of enemies—(interruption on the one side, answered by cheers on the other). But, with some few exceptions, the managers, as men of honour, treated the appeals to them with contempt. Here Mr. Dwyer took up the Report, and said he did not clearly understand the phrase *unavailable*, made with regard to the cash balance at the head branch—900 *l.*

Mr. Molloy, one of the auditors, explained that it meant to say that it was utterly worth nothing (murmurs).

Mr. Dwyer.—That might be the opinion of the auditors; but they should have stated what it was. But, taking it to be true, still it proved nothing criminal against the board, as nothing was criminal that was not wilful, or in which there was personal interest (hear, hear). He next explained the item relating to the bankers' account, and showed how the difference might have arisen from credits being rendered for bills which were afterwards obliged to be taken up (hear, hear). In conclusion, he would explain how they came to hold 13,000 *l.* worth of stock of the Royal Bank, which was alluded to in the body of the report. It was considered right and prudent to identify the two concerns, and that for such purpose the directors of the Agricultural Bank should become directors of the Royal Bank also. This opinion was sustained by Mr. Hardie, their largest proprietor, when the Royal Bank was originated. He declared that if they were distinct concerns they must only be injurious to each other; or rather that the Royal Bank would be a rival to the Agricultural, if having branches in the same localities. They took the stock, and what was the result? Why, that six of the shareholders of the Agricultural Bank were made directors of the Royal Bank, by the influence of the stock held; and if the identification had been as complete as was intended, the full value of the investment would have been demonstrated; but the directors of the Royal Bank took another view, and perhaps wisely, as, under the excited feeling in the banking interest, it might be imprudent for a bank of deposit to be connected with a bank of issue. At all events, he would say that there could be no safer investment than in the Royal Bank; as far as his opinion went, it was prudently and economically managed. Mr. Dwyer then returned to the point of difficulties in which they were placed as regarded their accounts. He would say, taking the estimate returned by the auditors at 290,000 *l.*, they had to add to that 13,000 *l.* Royal Bank stock, which, with 29,000 *l.*, the property of the bank, made, at all events, a sum of 332,000 *l.* (murmurs). Why, gentlemen, this is a subject of congratulation after the run, pressure and difficulty—(murmurs from one side, cheers from the other). At the meeting on the 20th, according to the bank sheet then exhibited, the amount was 356,000 *l.*, and now it was as much—say 332,000 *l.*—including the valuation of 20th March of the bank property. He should say to the gentlemen from the North, that, notwithstanding the boasts from that quarter, the heaviest loss the bank endured was a cash credit of 4,000 *l.* at the Armagh branch, recommended by the local director; but he hoped some arrangement as to that debt would be beneficially come to. There really was no other instance of so large an amount of loss, that he recollected, as in that northern branch (hear). He wished to remark as to what was said in the auditors' report upon the test of secrecy. It was but following the example of the Bank of England in regard to the auditors appointed, at their instance, over the Northern Bank. He held the report of their meeting in his hand, and the auditors had to take a test of secrecy. Their auditors declined it; and being, as they were, men (he was sure) of honour, it was dispensed with. He was sorry to be obliged to trespass so long upon them, but the importance of the subject in a public point of view, and wishing to preserve to Ireland a native institution, by clearing away the aspersions upon it, induced him to resist the efforts to pull down the institution.—Mr. Dwyer concluded amidst very general approbation and some expressions of dissent.

Remarks on Auditors' Report.

1. "Castlebar Branch is charged as holding 19,541 *l.* 6 *s.* 9 *d.* in bills more than the actual amount."

This difference was explained to the auditors thus: that the branch had been written to in common with the other branches for an authenticated balance-sheet to 25th February, (which was not supplied until 6th April,) in want of which the balances appearing in the ledger were substituted, and of which the auditors were aware.

2. "Killarney Branch—no perfect balance-sheet has been returned; that from which the estimate is taken shows an error of 1,899 *l.* 19 *s.* 4 *d.* to the prejudice of the assets."

The

The imperfect balance-sheet of this branch was occasioned by the absence of the accountant, who was ill of fever, and was merely for the month of February, without reference to the transactions since October last, consequently the amount of bills was considerably short, and a sum of 949 *l.* 19 *s.* 8 *d.* was entered as "Cash Credits" instead of "Deposits," which caused the difference, as noted by the auditors, of the cause of which they were aware.

3. "The October dividends amount to 9,375 *l.*; from which is to be deducted such portion as has been paid."

The amount ascertained to have been paid is 1,121 *l.* 12 *s.* 8 *d.* The above sum of 9,375 *l.* was calculated on the then nominal as well as actual stock, and is considerably beyond the proper adjustment of the dividend.

4. "Current bills at head-office over-estimated 21,819 *l.*"

The bills were rediscounted previous to the day of closing, for the more speedy discharge of bankers' accounts, but were omitted to be discharged until 27th February. The auditors were made acquainted with the transaction, and were requested to introduce the bankers' balances so discharged as a set-off against the bills. Owing to the explanation the words "over-estimated" were rather unfavourably introduced, and, indeed, unnecessarily.

5. "The following accounts due to persons to 25th February, and paid soon after out of the assets, had not been included amongst the liabilities; viz.

Robert Gray's salary, &c., to 8th July 1836 - - -	£. 890
Directors' salaries and travelling expenses, paid 27th Feb.	1,000
Holbrook & Co.'s account, paid in March - - -	2,100
Chambers's account - - ditto - - - -	552
	£. 4,542

Regarding the first item, Mr. Gray held against it 1,735 *l.* of the bank's notes which he had retired at closing his agency, the balance of which he allowed with other sums, making 946 *l.* 13 *s.* 4 *d.*, in a transaction immediately previous to the date of closing. Mr. Gray explained this to the auditors. As to the other three items, they could not have been introduced into the liabilities as they did not appear in the books, and could not have been recognized, as they were not, previous to the day of closing, delivered to the accountant.

6. "A sum of 1,778 *l.* is returned as owing by Messrs. Guinness & Co., which is denied by them."

This item was also explained to the auditors, thus: Messrs. G. & Co. charged the bank as having returned to them notes and letters of credit amounting to 15,000 *l.*, which, on examination, proved to be only in amount 13,222 *l.*, leaving the above difference to be accounted for by them.

7. "Batho & Bingley, of London; as debtors 1,490 *l.*, whereas they claim to be creditors 2,706 *l.*

The auditors were made aware that the sum to the debit of that firm was extracted from the general ledger, which was exhibited to them; and as to the sum claimed by them at the foot of their account as note engravers, &c., it could not have been introduced, as their accounts had not previously been in possession of the accountant.

8. "Bank property set down at 29,200 *l.*"

This sum is stated to have been expended on the branch banks and head-office; and, for 45 branches and the Dublin house, the amount appears reasonable and just. As to its present value, if offered for sale, of course the same sum could not be expected in this or any other such case.

9. "Agricultural and Commercial Bank stock repurchased 45,348 *l.* 1 *s.*"

The auditors were informed that this sum was made up of stock taken back at sundry valuations, to cover bad or doubtful debts, and also to such managers as had been dispensed with, they having been obliged to take shares as a qualification, and under special circumstances, and at the discretion of the board, with their bonds, might be returned.

10. "Cork Branch (when visited by auditors) appeared deficient in amount of bills 7,398 *l.* of the sum returned as due by that branch."

The manager has since supplied a list of bills to that amount, in the hands of the local law agent.

11. "Bank notes issued were returned in the sheet as 5,000 *l.* outstanding; since that period there appears to have been retired 16,902 *l.* 10 *s.*, after allowing for all notes on hands at the branches on 25th February, this causes a difference of 11,902 *l.* 10 *s.* against the assets."

As to this statement, it is necessary to remark that, previous to striking an apparent balance of issue, all notes retained in the branches were taken into account, but as a proper adjustment of the notes had not then been effected, no certain statement could have been made; the difference, however, is as uncertain as it could well be, as many branches had been paying in the bank's notes to parties who requested them, so that the notes which were in any one branch on the 25th February, might have been dispersed through several others up to the time of auditing, as was explained to the auditors.

 12. "Of

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12. "Of the cash balance at head-office, 900 *l.* appears unavailable."

Not available at present, but ultimately good.

13. "J. D. Dowd, of Drogheda, returned debtor for 2,445 *l.* 8 *s.* 4 *d.*, has since returned an account acknowledging only 816 *l.*, making a difference of 1,629 *l.* 8 *s.* 4 *d.*"

By the general ledger Mr. Dowd appeared indebted the sum stated, and although his account has been subsequently furnished, by which he shows only a balance of 816 *l.*, the auditors should have been aware that any other balance than that exhibited could not at the time be introduced.

14. "In ten accounts furnished by bankers, the result is a difference to the prejudice of the assets of 8,775 *l.*"

These accounts were furnished subsequent to the date of closing, and should not be used to divert the balance struck on 25th February, especially as there are doubts as to the authenticity of some claims contained in them.

15. "The account of profit and loss, assumed in the sheet of 25th February as 1,140 *l.* 6 *s.* 2 *d.* to the credit of that account, is erroneous, and should not have been introduced; thereby producing a loss of 6,245 *l.* 14 *s.* 5 *d.*, instead of 4,874 *l.* 11 *s.* 9 *d.* surplus."

The account of profit and loss is not erroneous, as it had not been introduced as an asset. It was proper to show it, for the satisfaction of the proprietary, to prove that the officers of the bank were not existing on the capital; but that by the working of the general business, during the suspension, they had defrayed their expenses, leaving that balance of profits at the end of five months.

16. "Royal Bank stock."

Needs no observation.

17. "In the summation of the aggregate cash, there is an error in favour of the assets of 52 *l.*"

On examination of the cash entries this difference has not been discovered. It shall be retained, however, for the sake of balancing, although an error of the auditors.

18. "Kilkenny branch holds securities to the amount of 606 *l.* more than is returned."

This difference was discovered by the auditors when at the branch, and has been accounted for as bills in the hands of the local law agents.

19. "John Boyd, of Newry, is debtor 435 *l.*—omitted."

The auditors ought not to have stated "omitted," as this sum was not in the books of the head-office, but the balance of transactions with the Belfast branch, and communicated by Mr. Dundas during the audit.

20. "We refer to our report for the opinion we entertain of the probable loss on the bills and cash credits, which amounted in the aggregate to about 290,000 *l.*"

The opinion was offered gratuitously, and without proper information as to their ultimate value. Such an opinion was calculated to depreciate the value of the assets, and create an uncalled-for alarm, so as to oblige many shareholders to sacrifice their shares for a comparative fraction.

In reference to a part of the closing paragraph of the Auditors' Report, which states "that the personal accounts at the head-office require a diligent and searching revision," it is necessary to observe, for the satisfaction of the proprietary and the protection of the directors individually, to whom may be attributed, from that clause, a habit of personal accommodation by an appropriation of the company's funds for their private purposes, such as has been reported as practised in other establishments, that no director had a current discount account or obtained advances for private purposes, and that their names appear in the bank's books only as the trustees and transactors of its general monetary affairs.

Thomas Brierly, General Accountant.

ADJUSTMENT OF AUDITORS' REPORT.

LIABILITIES:

	£.	s.	d.
Amount as per Balance-sheet to 25th February 1837 -	38,599	12	7
No. 1. Error in Castlebar branch - - - - - -	19,541	6	9
2. Ditto - Killarney ditto - - - - - -	1,899	19	4
3. Dividends struck in October last - - - -	9,375	–	–
4. Current bills at head-office stated as over-estimated -	21,819	–	–
5. Sundry accounts not taken into account - - -	4,542	–	–
7. Difference in Batho & Bingley's account - - -	4,190	–	–
11. Ditto - - bank notes - - - - - -	11,902	10	–
13. Ditto - - J. O'Dowd's account - - - -	1,629	8	4
14. Ditto - - bankers' accounts - - - - -	8,775	–	–
Carried forward - - -	122,273	17	–

	£.	s.	d.	£.	s.	d.
Brought forward - - -				122,273	17	–
Gross stock - - - - -	398,137	19	6			
Repurchased - £. 45,348 1 –						
Outfit & errors - 22,789 18 6						
	68,137	19	6			
				330,000	–	–
Gross Liabilities - - - £.				452,273	17	–
ASSETS:						
Amount as per balance-sheet - -	395,123	16	8			
16. Royal Bank stock, not included -	13,850	–	–			
17. Error, stated to be in summation of cash	52	–	–			
18. Kilkenny surplus - - - - -	606	–	–			
19. J. Boyd, of Newry - - - - -	435	–	–			
Robert Gray; notes held against 890 *l.*	1,735	–	–			
Cash securities at branches, not included	5,712	–	–			
Dividends paid—not included - -	1,121	12	8			
				418,635	9	4
Gross apparent Loss - - £.				33,638	7	8

— II. —

JOINT STOCK BANKS ESTABLISHED IN GREAT BRITAIN AND IRELAND.

— No. 1. —

AN ACCOUNT of the several JOINT STOCK BANKS and BRANCHES established in *England* and *Wales*, to the latest Date the same can be made out, in the Order of their respective Dates.

NAME OF THE BANK.	BRANCHES.	DATE when Established.
Bristol Old Bank - - -	Bristol - - - - - - - - - -	16 June 1826
Lancaster Banking Company -	Lancaster, Ulverstone and Preston - - -	9 Oct. –
Stuckey's Banking Company -	- - Bristol, Axbridge, Bridgwater, Taunton, Wellington, Crewkerne, Chard, Ilminster, Langport, Wells, Glastonbury, Shepton Mallet, Bruton, Wincanton, Stowey, Frome, Castle Cary, Yeovil, Bamwell, Weston-super-Mare, Williton, Martock, Somerton, South Petherton, Ilchester and Midsomer Norton.	9 Oct. –
Huddersfield Banking Company	Huddersfield, Holmfirth and Brighouse - -	7 June 1827
Bradford Banking Company -	Bradford - - - - - - - - -	7 July –
Leith Banking Company - -	Carlisle - - - - - - - - -	23 Nov. –
Cumberland Union Banking Company.	- - Workington, Cockermouth, Maryport, Wigton, Carlisle and Penrith.	13 Mar. 1829
Bank of Manchester - - -	Manchester, Stockport, Bolton and Newtown -	19 Mar. –
Whitehaven Joint Stock Banking Company.	Whitehaven and Penrith - - - - -	25 May –
Leicestershire Banking Company	- - Leicester, Ashby-de-la-Zouch, Hinckley, Market Harborough and Melton Mowbray.	28 Aug. –
Birmingham Banking Company -	Birmingham - - - - - - - -	30 Sept. –
Halifax Joint Stock Banking Company.	Halifax - - - - - - - - -	11 Nov. –
Manchester and Liverpool District Bank.	- - Manchester, Liverpool, Oldham, Warrington, Ashton-under-Lyne, Bury, Blackburn, Wigan, Preston, Stayley Bridge, Rochdale, Hyde, Stockport, Nantwich, Hanley, Stafford, Burslem, Leek, Lane End, Cheadle, Rugeley, Market Drayton and Glossop.	26 Nov. –
York City and County Banking Company.	- - York, Malton, Selby, Howden, Scarborough, Boroughbridge and Goole.	2 Mar. 1830
Bank of Liverpool - - -	Liverpool - - - - - - - - -	23 April 1831
Sheffield Banking Company -	Sheffield and Rotherham - - - - -	24 June –
Gloucestershire Banking Company.	- - Gloucester, Stroud, Newnham, Evesham, Tewkesbury, Cheltenham, Newent, Campden, Alcester, Pershore, Redditch, Blockley, Moreton, Cirencester and Winchcomb.	28 June –

(*continued*)

— II. —
Joint Stock Banks established in Great Britain and Ireland.

No. 1.
England and Wales.

NAME OF THE BANK.	BRANCHES.	DATE when Established.
Knaresborough and Claro Banking Company.	- - Knaresborough, Ripon, Wetherby, Easingwold, Helmsley Thirsk, Boroughbridge, Masham, Pateley Bridge, Otley and Harrogate.	14 Sept. 1831
Darlington District Joint Stock Banking Company.	- - Darlington, Stockton, Stokesley, Barnard Castle, Northallerton, Bedale, Durham, Masham, Yarm, Thirsk, Hartlepool, Gisborough, Bishops Auckland, Brough, Stagshaw and Romaldkirk.	22 Dec. –
Stamford and Spalding Joint Stock Banking Company (now called "The Stamford, Spalding and Boston Banking Company.")	- - Stamford, Spalding, Boston, Oundle, Bourn, Spilsby, Market Deeping, Burgh, Wainfleet, Swineshead, Peterborough, Holbeach, Oakham, Uppingham and Partney.	28 Dec. –
Wolverhampton and Staffordshire Banking Company.	Wolverhampton - - - - - -	28 Dec. –
Devon and Cornwall Banking Company.	- - Plymouth, Devonport, Kingsbridge, Totnes, Bodmin, Ashburton, St. Austell, Liskeard, Dartmouth, Exeter, Newton Abbot, Collumpton, Tavistock, Crediton and Launceston.	31 Dec. –
Barnsley Banking Company -	Barnsley - - - - - - - -	25 an. 1832
Bank of Birmingham - -	Birmingham - - - - - - -	2 Aug. –
Wakefield Banking Company -	Wakefield - - - - - - - -	25 Oct. –
Leeds Banking Company - -	Leeds - - - - - - - -	22 Nov. –
North of England Joint Stock Banking Company.	- - Newcastle-upon-Tyne, Sunderland, North Shields, Durham, Berwick-upon-Tweed, Morpeth, Hexham, South Shields, Bishops Auckland, Alnwick, Blyth, Wooler and Belford.	28 Nov. –
Liverpool Commercial Banking Company.	Liverpool - - - - - - - -	29 Dec. –
Mirfield and Huddersfield Banking Company (now called "The West Riding Union Banking Company.")	Huddersfield, Dewsbery and Wakefield - -	29 Dec. –
Bradford Commercial Joint Stock Banking Company.	Bradford - - - - - - - -	27 Feb. 1833
York Union Banking Company -	- - York, Driffield, Burlington, Thirsk, Malton, Helmsley, Kirby Moorside, Pickering, Pocklington, Market Weighton and Tadcaster.	23 April –
Bank of Westmorland - -	Kendal - - - - - - - -	8 June –
Lincoln and Lindsey Banking Company.	- - Lincoln, Gainsborough, Louth, Horncastle, Brigg, Market Rasen, Caistor, Sleaford, Alford, Spilsby, Epworth and Partney.	10 Aug. –
Saddleworth Banking Company	Saddleworth, Ashton-under-Lyne and Oldham -	29 June –
Hull Banking Company - -	- - Hull, Barton, Beverley, Brigg, Gainsborough, Goole, Grimsby, Lincoln, Louth, South Cave, Caistor, Retford, Howden, Market Rasen, Snaith and Market Weighton.	30 Nov. –
Chesterfield and North Derbyshire Banking Company.	Chesterfield - - - - - - -	21 Dec. –
Derby and Derbyshire Banking Company.	Derby, Ashbourn and Belper - - - -	28 Dec. –
National Provincial Bank of England.	- - Aberystwith, Birmingham, Brecon, Llandovery, Hay, Bath, Shepton Mallet, Boston, Almwch, Barnstaple, Castle Cary, Somerton, Bideford, Torrington, Okehampton, Wensbury, Bristol, Bury St. Edmunds, Cardiff, Bridgend, Cowbridge, Usk, Cheltenham, Crewkerne, Darlington, Dolgelly, Machynleth, Bala, Dursley, Exeter, Gloucester, Hereford, Kington, Honiton, Exmouth, Ilfracombe, Ipswich, Stowmarket, Woodbridge, Kingsbridge, Leicester, Lichfield, Manchester, Newcastle, Emlyn, Plymouth, Devonport, Pwllheli, Tremadoc, Portmadoc, Ramsgate, Rugby, Southmolton, Stockton, Barnard Castle, Stokesley, Tiverton, Wisbeach, Whittlesea, Chatteris, Long Sutton, Holbeach, March, Worcester, Ledbury, Bromyard, Wotton-under-Edge, Sodbury, Yarmouth, Lowestoft and Halesworth.	27 Dec. –
Dudley and Westbromwich Banking Company.	Dudley and Westbromwich - - - -	30 Dec. –
Northern and Central Bank of England.	- - Manchester, Bolton, Colne, Clitheroe, Liverpool, Ormskirk, St. Helens, Preston, Bangor, Carnarvon, Bakewell, Birmingham, Chester, Congleton, Knutsford, Macclesfield, Nantwich, Northwich, Cleckheaton, Halifax, Keighley, Leeds, Sheffield, Bradford, Denbigh, Wrexham, Evesham, Worcester, Holywell, Mold, Leominster, Nottingham, Oswestry, Shrewsbury, Wem, Whitchurch, Wellington, Tamworth and Grantham.	12 Mar. 1834

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— II. —
Joint Stock Banks established in Great Britain and Ireland.

No. 1.
England and Wales.

NAME OF THE BANK.	BRANCHES.	DATE when Established.
Stourbridge and Kidderminster Banking Company.	- - Stourbridge, Kidderminster, Stratford-upon-Avon, Bromsgrove, Henley-in-Arden, Redditch, Shipston-on-Stour, Chipping Norton, Moreton-in-Marsh and Alcester.	9 Apr. 1834
Nottingham and Nottinghamshire Banking Company.	- - Nottingham, Newark, Mansfield, Worksop, Loughborough and East Retford.	12 April –
Hampshire Banking Company -	- - Southampton, Fareham, Rumsey and Stockbridge.	29 April –
Commercial Bank of England -	- - Manchester, Preston, Burnley, Skipton, Birmingham, Newport, Chester, Leek, Burslem, Liverpool, Blackburn, Ashbourn, Rochdale, Shrewsbury, Ellesmere, Uttoxeter, Whitchurch, Ludlow and Hanley.	1 July –
Yorkshire District Bank - -	- - Leeds, York, Hull, Patrington, Sheffield, Halifax, Doncaster, Thorne, Worksop, Bawtry, Selby, Sherburn, Thirsk, Northallerton, Easingwold, Malton, Kirkby Moorside, Pocklington, Market Weighton, Pontefract, Bradford, Skipton, Bingley, Knaresborough, Otley, Wetherby, Huddersfield, Beverly, Hunmanby, North Cave, Burlington, Driffield, Dewsbury, Barnsley, Richmond, Barnard Castle, Bedale, Ripon, Pateley Bridge, Masham and Wakefield.	30 July –
Warwick and Leamington Banking Company.	- - Warwick, Leamington, Stratford-on-Avon, Southam, Henley-in-Arden, Shipston-on-Stour and Alcester.	10 Sept. –
West of England and South Wales District Bank.	- - Bristol, Bath, Barnstaple, Bideford, Bridgwater, Cardiff, Exeter, Newport, Swansea, Taunton, Wells, Axbridge, Dulverton, Glastonbury, Merthyr, Stowey, Somerton and Williton.	23 Dec. –
Gloucester County and City Bank	Gloucester - - - - - - -	31 Dec. –
Bank of South Wales - -	Carmarthen - - - - - - -	26 Feb. 1835
Union Bank of Liverpool - -	Liverpool - - - - - - -	2 May –
Leamington Bank - - -	Leamington Priors - - - - -	8 May –
Bank of Walsall and South Staffordshire.	Walsall and Penkridge - - - -	10 Aug. –
Leamington Priors and Warwickshire Banking Company.	- - Leamington, Warwick, Southam, Kenilworth and Banbury.	27 Aug. –
North Wilts Banking Company -	- - Melksham, Devizes, Bradford, Trowbridge, Calne, Corsham, Chippenham, Marshfield, Westbury, Warminster, Swindon, Hungerford, Marlborough, Malmesbury, Highworth and Wotton Bassett.	6 Nov. –
Lichfield, Rugeley and Tamworth Banking Company.	Lichfield, Rugeley and Tamworth - - -	21 Nov. –
Leeds and West Riding Banking Company.	- - Leeds, Bradford, Pudsey, Heckmondwike and Harrogate.	28 Nov. –
Coventry and Warwickshire Banking Company.	Coventry and Nuneaton - - - - -	13 Dec. –
Wilts and Dorset Banking Company.	- - Salisbury, Bradford, Chippenham, Devizes, Malmesbury, Marlborough, Melksham, Trowbridge, Warminster, Blandford, Wootton Bassett, Bridport, Dorchester, Gillingham, Mere, Poole, Sherborne, Weymouth, Wimborne, Axminster, Christchurch, Fordingbridge, Lymington, Frome and Yeovil.	11 Jan. 1836
East of England Bank - - -	- - Norwich, Great Yarmouth, Ipswich, Swaffham, Lynn, East Dereham, Foulsham, Fakenham, Harleston, Eye, Saxmundham, Bungay, Watton, Lowestoft, Beccles, Diss, Bury St. Edmunds, North Walsham and Framlingham.	27 Feb. –
Pares' Leicestershire Banking Company, or "The Leicestershire Union Banking Company."	- - Leicester, Hinckley, Loughborough and Melton Mowbray.	15 Mar. –
Liverpool Tradesmen's Bank -	Liverpool - - - - - - -	22 Mar. –
North and South Wales Bank -	- - Ellesmere, Tremadoc, Brecon, Cardigan, Carmarthen, Llanelly, Llandilo, Swansea, Merthyr Tidvil, Cardiff, Neath, Haverfordwest, Pembroke, Kington, Abergavenny, Newport, Shrewsbury, Holywell, Conway, Bangor, St. Asaph and Amlwch.	30 April –
Royal Bank of Liverpool - -	Liverpool - - - - - - -	30 April –
Bank of Stockport - - -	Stockport - - - - - - -	3 May –
Union Bank of Manchester -	Manchester - - - - - - -	6 May –
Coventry Union Banking Company.	Coventry, Atherstone and Coleshill - - -	12 May –
Liverpool United Trades Bank -	Liverpool - - - - - - -	12 May –
Northamptonshire Banking Company.	- - Northampton, Daventry, Wellingborough, Kettering, Market Harborough and Stamford.	13 May –

(continued)

— II. —
Joint Stock Banks established in Great Britain and Ireland.

No. 1.
England and Wales.

NAME OF THE BANK.	BRANCHES.	DATE when Established.
Cheltenham and Gloucestershire Bank.	Cheltenham and Tewkesbury	19 May 1836
Sheffield and Hallamshire Banking Company.	Sheffield	20 May –
Northamptonshire Union Bank	Northampton, Daventry and Wellingborough	23 May –
Northumberland and Durham District Banking Company.	Newcastle-upon-Tyne, North Shields, Alnwick, Morpeth, Sunderland and South Shields.	23 May –
South Lancashire Bank	Manchester	25 May –
Shropshire Banking Company	Shiffnal, Wellington, Newport and Colebrook Dale	27 May –
Bolton Joint Stock Banking Company	Bolton	30 May –
Bury Banking Company	Bury	14 June –
Manchester and Salford Bank	Manchester	15 June –
Ashton, Staleybridge, Hyde and Glossop Bank.	Ashton-under-Line	18 June –
Halifax Commercial Banking Company.	Halifax and Cleckheaton	21 June –
Leeds Commercial Banking Company.	Leeds	21 June –
Sheffield and Rotherham Joint Stock Banking Company.	Sheffield, Rotherham and Bakewell	25 June –
Newcastle-upon-Tyne Joint Stock Banking Company.	Newcastle-upon-Tyne	27 June –
Liverpool Borough Bank	Liverpool	28 June –
Halifax and Huddersfield Union Banking Company.	Halifax and Huddersfield	29 June –
Birmingham Town and District Banking Company.	Birmingham	4 July –
Newcastle, Shields and Sunderland Union Joint Stock Banking Company.	Newcastle-upon-Tyne, North Shields, South Shields, Sunderland, Morpeth, Alston, Hartlepool, Hexham, Blyth and Alnwick.	11 July –
Moore and Robinson's Nottinghamshire Banking Company.	Nottingham	12 July –
Newcastle Commercial Banking Company.	Newcastle-upon-Tyne	16 July –
Yorkshire Agricultural and Commercial Banking Company.	York, Whitby, Wetherby, Tadcaster, Sherburn, Howden, Pickering, Malton, Scarborough, Burlington, Driffield, Pocklington, Goole, Kirby Moorside, Bedale, Ripon, Boroughbridge, Knaresborough, Hull, Wakefield, Doncaster, Easingwold, Thirsk, Northallerton, Hawes, Skipton and Beverley.	27 July –
Monmouthshire and Glamorganshire Banking Company.	Newport, Pontypool, Usk, Chepstow, Cardiff, Tredegar Iron Works, Monmouth, Abergavenny, Lydney and Merthyr Tidvil.	28 July –
County of Gloucester Bank	Gloucester, Cheltenham, Burford, Cirencester, Farringdon, Tetbury and Dursley.	1 Aug. –
Helston Banking Company	Helston	4 Aug. –
Sunderland Joint Stock Banking Company.	Sunderland	4 Aug. –
Herefordshire Banking Company	Hereford, Ross, Leominster, Ledbury, Kington, Hay, Monmouth, Coleford, Bromyard and Abergavenny.	5 Aug. –
Birmingham and Midland Bank	Birmingham	18 Aug. –
Bilston District Banking Company.	Bilston	31 Aug. –
Western District Banking Company.	Devonport, Plymouth, Totnes, Kingsbridge, Crediton, Exeter, Teignmouth, Torrington, Holsworthy, Falmouth, Penzance, Truro, Helston, Redruth, St. Ives, Callington and St. Columb.	1 Sept. –
Glamorganshire Banking Company.	Swansea and Neath	8 Sept. –
Bury and Heywood Banking Company.	Bury and Heywood	17 Sept. –
Oldham Banking Company	Oldham	30 Sept. –
Carlisle and Cumberland Banking Company.	Carlisle and Wigton	8 Oct. –
Central Bank of Liverpool	Liverpool	3 Dec. –
Imperial Bank of England	Manchester, Macclesfield, Congleton, Nantwich, Northwich and Knutsford.	16 Dec. –
Swaledale and Wensleydale Banking Company.	Richmond, Leyburn, Bedale, Hawes, Reeth, Middleham, Askrigg and Masham.	30 Dec. –
Bank of Whitehaven	Whitehaven, Wigton and Cockermouth	23 Jan. 1837
Liverpool Phœnix Bank	Liverpool	26 Jan. –

Stamp Office, Somerset House, 20 February 1837.

Teesdale Cockell, Distributor.

— No. 2. —

AN ACCOUNT of the several JOINT STOCK BANKS and BRANCHES established in *Scotland*, to the latest Date the same can be made out, in the Order of their respective Dates.

—	Names of Banks and Banking Companies.	Year when Established.	Residence of Head Office.	Number of Branches.	TOWNS WHERE BRANCHES ARE ESTABLISHED.		
1	The Bank of Scotland.	1695	Edinburgh	24	-- Aberdeen	Fraserburgh	Lauder
					Airdrie	Glasgow	Leith
					Ayr	Greenock	Montrose
					Dumfries	Haddington	Paisley
					Dundee	Inverness	Perth
					Dunfermline	Kelso	St. Andrews
					Dunse	Kirkaldy	Stirling
					Falkirk	Kirkcudbright	Stonehaven.
2	The Royal Bank of Scotland.	1727	Edinburgh	7	-- Dalkeith	Greenock	Port Glasgow
					Dundee	Leith	Rothesay.
					Glasgow		
3	The British Linen Company.	1746	Edinburgh	38	-- Aberdeen	Forres	Langholm
					Arbroath	Fort William	Melrose
					Balfrone	Glasgow	Montrose
					Brochin	Haddington	Nairn
					Castle Douglas	Hamilton	Newton Stewart
					Coldstream	Hawick	Peebles
					Cupar	Inverness	Perth
					Dumfries	Jedburgh	Sanquhar
					Dunbar	Kelso	Selkirk
					Dundee	Kingussie	Stranraer
					Dunfermline	Kinross	Tain
					Dunse	Kirriemuir	Wigtown.
					Elgin	Leith	
4	The Commercial Bank of Scotland.	1810	Edinburgh	49	-- Aberdeen	Dunfermline	Leven
					Alloa	Dunkeld	Linlithgow
					Annan	Elgin	Mauchline
					Banff	Eyemouth	Melrose
					Beith	Falkirk	Musselburgh
					Biggar	Gatehouse	Newburgh
					Blairgowrie	Glasgow	Perth
					Campbelltown	Hamilton	Peterhead
					Colinsburgh	Hawick	Pitlochrie
					Crieff	Inverness	Stirling
					Cromarty	Kelso	Tain
					Cupar	Kilmarnock	Thurso
					Dalkeith	Kircaldy	Turriff
					Dumbarton	Kirkwall	Wick
					Dumfries	Lanark	Grangemouth
					Dunbar	Leith	Kincardine.
					Dunblane		
5	The National Bank of Scotland.	1825	Edinburgh	37	-- Aberdeen	Fort William	Kirkwall
					Anstruther	Galashiels	Langholm
					Ardrie	Glasgow	Lerwick
					Bathgate	Grantown	Leith
					Banff	Hawick	Montrose
					Burntisland	Inverness	Nairn
					Castle Douglas	Inverary	Oban
					Dalkeith	Inverkeithing	Perth
					Dumfries	Jedburgh	Portree
					Dingwall	Keith	Stirling
					Dundee	Kelso	Stornoway
					Falkirk	Kirkaldy	Stromness.
					Forres		
6	The Aberdeen Bank	See note at the end of this Account.	Aberdeen	7	-- Banff	Huntly	Keith
					Elgin	Inverary	Peterhead.
					Fraserburgh		
7	The Ayr Bank - -		Ayr -	4	-- Girvan	Kilmarnock	Maybole.
					Irvine		
8	The Dundee Banking Company.		Dundee -	-			

(*continued*)

—	Names of Banks and Banking Companies.	Year when Established.	Residence of Head Office.	Number of Branches.	TOWNS WHERE BRANCHES ARE ESTABLISHED.		
9	The Dundee Union Bank.	See note at the end of this Account.	Dundee -	4	- - Arbroath	Forfar	Montrose.
					Brechin		
10	The Dundee New Bank.		Dundee -	1	- - Forfar.		
11	The Glasgow Bank Company.		Glasgow -	1	- - Kirkaldy.		
12	The Greenock Bank -		Greenock	3	- - Glasgow	Port Glasgow	Rothesay.
13	The Leith Bank -		Leith -	12	- - Callender	Edinburgh	Portobello
					Crieff	Falkirk	Stirling
					Dalkeith	Galashiels	Stenhousemuir.
					Doune	Musselburgh	
					Also at Carlisle, in regard to which Branch a return has been made to the Stamp-office, London, under the Act 7 Geo. 4, c. 76.		
14	The Paisley Bank -		Paisley -	3	- - Glasgow	Irvine	Stranraer.
15	The Perth Banking Company.		Perth -	3	- - Crieff	Cupar Angus	Dunkeld.
16	The Renfrewshire Banking Company.		Greenock	5	- - Campbelltown	Inverary	Rothesay.
					Glasgow	Port Glasgow	
17	The Ship Bank -		Glasgow -	–			
18	The Paisley Union Bank.	1809	Paisley -	3	- - Beith	Glasgow	Johnstone.
19	The Aberdeen Town and County Bank.	1825	Aberdeen	8	- - Ellon	Keith	Stonehaven.
					Golspie	Peterhead	Thurso.
					Inverary	Pultney Town	
20	The Arbroath Bank -	1825	Arbroath -	1	- - Forfar.		
21	The Dundee Commercial Bank.	1825	Dundee -	–			
22	The Glasgow Union Banking Company.	1830	Glasgow -	16	- - Alloa	Greenock	Paisley
					Auchtermuchty	Kincardine	Port Glasgow
					Ayr	Lochgilphead	Stewarton
					Bathgate	Moffat	Strathaven
					Beith	Neilston	Thornhill.
					Edinburgh		
23	The Ayrshire Banking Company.	1831	Ayr -	6	- - Girvan	Cumnock	Maybole
					Irvine	Kilmarnock	Saltcoats.
24	The Western Bank of Scotland.	1832	Glasgow -	12	- - Alloa	Edinburgh	Lockerbie
					Blairgourie	Hamilton	Musselburgh
					Cupar Angus	Lanark	Paisley
					Dumfries	Lochwinnoch	Portobello.
25	The Central Bank of Scotland.	1834	Perth -	7	- - Aberfeldy	Killin	Pitlochry
					Auchtermuchty	Newburgh	Crieff.
					Dunkeld		
26	The North of Scotland Banking Company.	1836	Aberdeen	63	- - Aboyne	Fraserburgh	Laurencekirk
					Alford	Fochabers	Lossiemouth
					Arbroath	Forres	Macduff
					Ardersier	Fort Augustus	Montrose
					Auchinblae	Fort William	Nairn
					Banchory	Fortrose	Newburgh
					Tennan	Forfar	New Deer
					Bervie	Fyvie	Old Deer
					Brechin	Garmouth	Old Meldrum
					Banff	Golspie	Peterhead
					Campbelltown	Grantoun	Portsoy
					Clashmore	Huntly	Rhynie
					Cluny	Inverness	Strichen
					Cullen	Inverary	Stornoway
					Binghead	Invergordon	Stonehaven
					Bonar Bridge	Inoch	Tain
					Dingwall	Keith	Tarland
					Dornock	Kirkwall	Thurso
					Dundee	Kirriemuir	Turriff
					Dufftown	Kintore	Wick
					Elgin	Kincardine	Beauly.
					Ellon		
26	Number of Banks -	- -	- -	314	Number of Branches.		

Note.—Date of establishment of Nos. 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16 and 17 not ascertained, but licensed to issue notes in the year 1808, when the licence duties were first imposed.

Stamps and Taxes, Edinburgh, 22 February 1837.

Thomas Pender,
Comptroller General.

— No. 3. —

AN ACCOUNT of the several JOINT STOCK BANKS and BRANCHES established in *Ireland*, to the latest Date the same can be made out, in the Order of their respective Dates.

JOINT STOCK BANKS.	When Established.	Towns and Places where the Banks or their Branches have been Established.		
The Hibernian Joint Stock Company.	- - June 1825; by Special Act, 5 Geo. 4, cap. 159.	- - Dublin.		
The Provincial Bank of Ireland -	- - Sept. 1825; under General Act, 6 Geo. 4, cap. 42.	- - Armagh Athlone Banbridge Bandon Ballina Ballymena Ballyshannon Belfast Cavan Clonmel Coleraine	Cork Downpatrick Dungannon Dungarvan Ennis Enniskillen Galway Kilkenny Limerick Londonderry Lurgan	Mallow Monaghan Moneymore Omagh Parsonstown Strabane Sligo Tralee Waterford Wexford Youghal.
The Northern Banking Company -	31 Dec. 1825	- - Belfast Armagh Ballymena Coleraine	Downpatrick Lisburn Londonderry	Lurgan Magherafelt Newtownlimavady.
The Belfast Banking Company -	31 July 1827 -	- - Belfast Armagh Ballymena Ballymoney Banbridge Coleraine	Cookstown Dungannon Letterkenny Londonderry Lurgan Monaghan	Magherafelt Newtownlimavady Portadown Strabane Tanderagee.
The Agricultural and Commercial Bank of Ireland.	28 Oct. 1834	- - Bandon Ballinasloe Boyle Ballina Castlebar Cork Ennis Enniscorthy Fermoy	Galway Kilrush Killarney Kilkenny Limerick Longford Londonderry Mallow Nenagh	New Ross Parsonstown Roscrea Sligo Strokestown Strabane Skibbereen Tipperary Tuam.
The National Bank of Ireland -	24 Jan. 1835	- - Clonmel Cork Carrick-on-Suir Caherciveen Cashel Dungarvan Dingle	Enniscorthy Fermoy Galway Kilkenny Killarney Listowell Longford	Mitchelstown New Ross Roscrea Tipperary Thurles Tralee Waterford.
The Limerick National Bank of Ireland.	17 Aug. 1835	- - Limerick Charleville	Kilrush Rathkeale	Ennis.
The Clonmel National Bank of Ireland.	20 May 1836	- - Clonmel	Cashel.	Thurles.
The Carrick-on-Suir National Bank of Ireland.	21 May 1836	- - Carrick-on-Suir.		
The Waterford National Bank of Ireland.	23 May 1836	- - Dungarvan New Ross	Tallow	Waterford.
The Wexford and Enniscorthy National Bank of Ireland.	24 May 1836	- - Wexford	Enniscorthy.	
The Tipperary National Bank of Ireland.	26 May 1836	- - Tipperary.		
The Tralee National Bank of Ireland.	27 May 1836	- - Cahirciveen Dingle	Killarney	Tralee.
The Ulster Banking Company -	15 April 1836	- - Antrim Belfast	Armagh	Enniskillen.
The Royal Bank of Ireland - -	- Nov. 1836	- - Dublin.		
The Southern Bank of Ireland -	11 Feb. 1837	- - Cork.		

Stamp-Office, Dublin,
20 February 1837.

J. S. Cooper,
Comptroller and Accountant-General.

— III. —
Accounts relating to the Bank of Ireland.

— III. —

ACCOUNTS RELATING TO THE BANK OF IRELAND.

— No. 1. —

No. 1. Abstract of Acts relating to the Bank of Ireland.

AN ABSTRACT of the Acts of Parliament relating to the Rights and Privileges of the Governor and Company of the Bank of Ireland.

1782. 21 & 22 Geo. 3, c. 16, Irish Parliament.

The charter of the Bank of Ireland was granted in pursuance of this Act, redeemable on the expiration of 12 months' notice to be given after 1st January 1794, and on repayment by Parliament to the Bank of the sum advanced to Government under the Act, viz. 600,000 *l.* Irish, being the original Bank capital.

1791. By 31 Geo. 3, c. 22, the said charter was extended or renewed until the expiration of 12 months' notice to be given after 1 January 1816, and on repayment of the aforesaid 600,000 *l.* Irish, and all interest due thereon.

This Act authorized an increase of 400,000 *l.* Irish to the Bank capital, by subscription; which was subscribed accordingly, but not advanced to Government.

It also enacted, that in consideration of the power given to increase the Bank capital, the Bank should pay to Government a sum agreed on with the Lord Lieutenant; and the sum of 60,000 *l.* Irish was accordingly paid, in two instalments.

1797. By 37 Geo. 3, c. 50, the Bank was authorized to increase its capital by subscription, in the further sum of 500,000 *l.* Irish; and the same was advanced to Government.

1808. By 48 Geo. 3, c. 103, the Bank capital was increased in the further sum of 1,000,000 *l.* Irish. The sum of 1,250,000 *l.* Irish was advanced to Government, and the charter was extended or renewed until the expiration of 12 months' notice to be given after the 1st day of January 1837. By this Act, the Bank consented to continue the management of the then public debt in Ireland, and of all future loans to be thenceforth made for the service of Ireland, free of charge, during the continuance of their charter.

1821. By 1 & 2 Geo. 4, c. 72, the Bank was authorized to increase its capital in the further sum of 500,000 *l.* Irish, making the whole 3,000,000 *l.* Irish; and the said sum of 500,000 *l.* Irish was advanced to Government. By this Act, Bank of Ireland notes were agreed to be received in payment of the Government revenue, and the Bank consented to a restriction of its privileges (previously secured till 1838, by the Act of 1808,) so far as to permit banking companies and copartnerships consisting of more than six persons in number, residing and having their houses of business at a greater distance than 50 miles from Dublin, to issue notes payable on demand without that distance. And it was expressly enacted, that no further privilege should be granted to any copartnership or society of persons whatever, previous to 1st January 1838, contrary to the provisions of the Bank Acts then in force, save the privilege to such copartnerships of suing and being sued in the name of a public officer, should Parliament think fit to grant such authority.

Bank of Ireland, 1 March 1837.

R. Culley,
Accountant-general.

— No. 2. —

AN ACCOUNT of the Amount of the Notes of the Bank of Ireland in Circulation, distinguishing those under £. 5, of the Amount of all Deposits, and of the Amount of all Securities held by the Bank, on the 30th June and 31st December in each Year from 1808 to 1836.

N. B.—All amounts up to 6 January 1826, Irish; subsequently British Currency.

30 June 1808:	£.				£.
Circulation - £. 5 and above, £. 2,001,000			Securities, public - - - £. 575,900		
Under - 847,000	2,848,000				3,771,200
Deposits and sundry balances - - -	1,569,500		Ditto, private - - - 3,195,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	400,000		Specie - - - - - - - -		1,535,800
	4,817,500				
Surplus Fund - - - £.	489,500			£.	5,307,000
31 December 1808:	£.				£.
Circulation - £. 5 and above, £. 2,175,300			Securities, public - - - £. 597,100		
Under - 945,000	3,120,300				4,423,200
Deposits and sundry balances - - -	1,922,300		Ditto, private - - - 3,826,100		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	400,000		Specie - - - - - - - -		1,564,000
	5,442,600				
Surplus Fund - - - £.	544,600			£.	5,987,200
30 June 1809:	£.				£.
Circulation - £. 5 and above, £. 2,221,700			Securities, public - - - £. 1,123,200		
Under - 907,800	3,129,500				4,817,800
Deposits and sundry balances - - -	2,096,500		Ditto, private - - - 3,694,600		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	400,000		Specie - - - - - - - -		1,413,900
	5,626,000				
Surplus Fund - - - £.	605,700			£.	6,231,700

31 December 1809:	£.		£.
Circulation - £. 5 and above, £. 2,358,100 / Under - 818,300	3,176,400	Securities, public - - £. 1,270,700 / Ditto, private - - 4,197,500	5,468,200
Deposits and sundry balances - - -	2,930,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,403,100
	6,256,800		
Surplus Fund - - - £.	614,500	£.	6,871,300
30 June 1810:	£.		£.
Circulation - £. 5 and above, £. 2,384,500 / Under - 750,300	3,134,800	Securities, public - - £. 1,272,900 / Ditto, private - - 3,315,000	4,587,900
Deposits and sundry balances - - -	2,079,000		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,445,900
	5,363,800		
Surplus Fund - - - £.	670,000	£.	6,033,800
31 December 1810:	£.		£.
Circulation - £. 5 and above, £. 2,615,800 / Under - 848,300	3,464,100	Securities, public - - £. 2,140,300 / Ditto, private - - 2,778,700	4,919,000
Deposits and sundry balances - - -	2,130,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,475,600
	5,744,400		
Surplus Fund - - - £.	650,200	£.	6,394,600
30 June 1811:	£.		£.
Circulation - £. 5 and above, £. 2,428,300 / Under - 891,500	3,319,800	Securities, public - - £. 2,530,700 / Ditto, private - - 3,295,500	5,826,200
Deposits and sundry balances - - -	3,108,100		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,449,900
	6,577,900		
Surplus Fund - - - £.	698,200	£.	7,276,100
31 December 1811:	£.		£.
Circulation - £. 5 and above, £. 2,843,000 / Under - 932,900	3,775,900	Securities, public - - £. 2,253,400 / Ditto, private - - 3,349,600	5,603,000
Deposits and sundry balances - - -	2,424,900		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,427,300
	6,350,800		
Surplus Fund - - - £.	679,500	£.	7,030,300
30 June 1812:	£.		£.
Circulation - £. 5 and above, £. 2,745,900 / Under - 945,200	3,691,100	Securities, public - - £. 2,324,400 / Ditto, private - - 3,259,700	5,584,100
Deposits and sundry balances - - -	2,395,900		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,403,100
	6,237,000		
Surplus Fund - - - £.	750,200	£.	6,987,200
31 December 1812:	£.		£.
Circulation - £. 5 and above, £. 2,833,900 / Under - 1,261,300	4,095,200	Securities, public - - £. 2,932,700 / Ditto, private - - 3,584,000	6,516,700
Deposits and sundry balances - - -	2,868,900		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,341,600
	7,114,100		
Surplus Fund - - - £.	744,200	£.	7,858,300

	£.		£.
30 June 1813:			
Circulation - £.5 and above, £.2,715,000	4,171,500	Securities, public - - £.2,783,000	6,395,700
Under - 1,456,500		Ditto, private - - 3,612,700	
Deposits and sundry balances - - -	2,638,700	Specie - - - - - - -	1,360,800
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000		
	6,960,200		
Surplus Fund - - - £.	796,300	£.	7,756,500
31 December 1813:			
Circulation - £.5 and above, £.2,862,900	4,153,100	Securities, public - - £.2,783,000	6,374,200
Under - 1,290,200		Ditto, private - - 3,591,200	
Deposits and sundry balances - - -	2,677,100	Specie - - - - - - -	1,408,100
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000		
	6,980,200		
Surplus Fund - - - £.	802,100	£.	7,782,300
30 June 1814:			
Circulation - £.5 and above, £.3,037,800	4,360,800	Securities, public - - £.2,619,400	6,544,600
Under - 1,323,000		Ditto, private - - 3,925,200	
Deposits and sundry balances - - -	2,482,100	Specie - - - - - - -	1,314,700
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000		
	6,992,900		
Surplus Fund - - - £.	866,400	£.	7,859,300
31 December 1814:			
Circulation - £.5 and above, £.3,162,300	4,603,800	Securities, public - - £.2,833,500	7,672,600
Under - 1,441,500		Ditto, private - - 4,839,100	
Deposits and sundry balances - - -	3,380,000	Specie - - - - - - -	1,364,500
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000		
	8,133,800		
Surplus Fund - - - £.	903,300	£.	9,037,100
30 June 1815:			
Circulation - £.5 and above, £.2,953,900	4,213,600	Securities, public - - £.3,111,000	7,049,100
Under - 1,259,700		Ditto, private - - 3,938,100	
Deposits and sundry balances - - -	3,093,000	Specie - - - - - - -	1,340,900
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000		
	7,456,600		
Surplus Fund - - - £.	933,400	£.	8,390,000
31 December 1815:			
Circulation - £.5 and above, £.2,839,100	4,073,500	Securities, public - - £.3,378,400	6,519,900
Under - 1,234,400		Ditto, private - - 3,141,500	
Deposits and sundry balances - - -	2,718,500	Specie - - - - - - -	1,388,800
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000		
	6,942,000		
Surplus Fund - - - £.	966,700	£.	7,908,700
30 June 1816:			
Circulation - £.5 and above, £.2,999,000	4,242,400	Securities, public - - £.3,746,400	6,313,100
Under - 1,243,400		Ditto, private - - 2,566,700	
Deposits and sundry balances - - -	2,367,000	Specie - - - - - - -	1,431,600
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000		
	6,759,400		
Surplus Fund - - - £.	985,300	£.	7,744,700

	£.		£.
31 December 1816:			
Circulation - £. 5 and above, £. 3,077,200 / Under - 1,159,700	4,236,900	Securities, public - - - £. 4,064,300 / Ditto, private - - - 2,079,200	6,143,500
Deposits and sundry balances - - -	2,231,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,469,400
	6,618,300		
Surplus Fund - - - £.	994,600	£.	7,612,900
30 June 1817:			
Circulation - £. 5 and above, £. 3,224,900 / Under - 1,109,700	4,334,600	Securities, public - - - £. 4,049,700 / Ditto, private - - - 1,801,600	5,851,300
Deposits and sundry balances - - -	1,876,000		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,516,400
	6,360,600		
Surplus Fund - - - £.	1,007,100	£.	7,367,700
31 December 1817:			
Circulation - £. 5 and above, £. 3,307,700 / Under - 1,099,300	4,407,000	Securities, public - - - £. 4,952,700 / Ditto, private - - - 1,618,700	6,571,400
Deposits and sundry balances - - -	2,595,800		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,603,100
	7,152,800		
Surplus Fund - - - £.	1,021,700	£.	8,174,500
30 June 1818:			
Circulation - £. 5 and above, £. 3,195,500 / Under - 1,146,100	4,341,600	Securities, public - - - £. 4,572,900 / Ditto, private - - - 1,632,900	6,205,800
Deposits and sundry balances - - -	2,154,100		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,476,300
	6,645,700		
Surplus Fund - - - £.	1,036,400	£.	7,682,100
31 December 1818:			
Circulation - £. 5 and above, £. 3,215,200 / Under - 1,265,300	4,480,500	Securities, public - - - £. 4,628,800 / Ditto, private - - - 2,066,800	6,695,600
Deposits and sundry balances - - -	2,268,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,263,300
	6,898,900		
Surplus Fund - - - £.	1,060,000	£.	7,958,900
30 June 1819:			
Circulation - £. 5 and above, £. 3,084,100 / Under - 1,181,100	4,265,200	Securities, public - - - £. 4,696,600 / Ditto, private - - - 2,022,000	6,718,600
Deposits and sundry balances - - -	2,489,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,235,800
	6,904,500		
Surplus Fund - - - £.	1,049,900	£.	7,954,400
31 December 1819:			
Circulation - £. 5 and above, £. 2,753,500 / Under - 1,122,000	3,875,500	Securities, public - - - £. 3,860,400 / Ditto, private - - - 2,010,600	5,871,000
Deposits and sundry balances - - -	1,871,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,104,900
	5,896,900		
Surplus Fund - - - £.	1,079,000	£.	6,975,900

	£.		£.
30 June 1820:			
Circulation - - £. 5 and above, £. 3,102,800	4,423,300	Securities, public - - - £. 3,661,800	6,316,600
Under - 1,320,500		Ditto, private - - - 2,654,800	
Deposits and sundry balances - - - -	1,838,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,166,400
	6,411,600		
Surplus Fund - - - £.	1,071,400	£.	7,483,000
31 December 1820:			
Circulation - - £. 5 and above, £. 3,336,100	5,041,500	Securities, public - - - £. 5,246,100	6,845,300
Under - 1,705,400		Ditto, private - - - 1,599,200	
Deposits and sundry balances - - -	2,066,800		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,489,300
	7,258,300		
Surplus Fund - - - £.	1,076,300	£.	8,334,600
30 June 1821:			
Circulation - - £. 5 and above, £. 3,438,200	4,953,100	Securities, public - - - £. 5,767,500	6,731,800
Under - 1,514,900		Ditto, private - - - 964,300	
Deposits and sundry balances - - -	1,997,900		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,575,100
	7,101,000		
Surplus Fund - - - £.	1,205,900	£.	8,306,900
31 December 1821:			
Circulation - - £. 5 and above, £. 3,709,500	5,261,500	Securities, public - - - £. 5,444,400	6,526,000
Under - 1,552,000		Ditto, private - - - 1,081,600	
Deposits and sundry balances - - -	1,627,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,727,600
	7,038,800		
Surplus Fund - - - £.	1,214,800	£.	8,253,600
30 June 1822:			
Circulation - - £. 5 and above, £. 3,493,500	4,764,700	Securities, public - - - £. 5,521,600	6,452,300
Under - 1,271,200		Ditto, private - - - 930,700	
Deposits and sundry balances - - -	1,773,000		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,449,400
	6,687,700		
Surplus Fund - - - £.	1,214,000	£.	7,901,700
31 December 1822:			
Circulation - - £. 5 and above, £. 3,682,900	5,093,900	Securities, public - - - £. 5,597,700	6,650,800
Under - 1,411,000		Ditto, private - - - 1,053,100	
Deposits and sundry balances - - -	1,551,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,364,300
	6,795,200		
Surplus Fund - - - £.	1,219,900	£.	8,015,100
30 June 1823:			
Circulation - - £. 5 and above, £. 3,422,500	4,736,900	Securities, public - - - £. 5,210,200	6,427,000
Under - 1,314,400		Ditto, private - - - 1,216,800	
Deposits and sundry balances - - -	1,786,600		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - - -	1,460,100
	6,673,500		
Surplus Fund - - - £.	1,213,600	£.	7,887,100

	£.		£.
31 December 1823:			
Circulation - - £. 5 and above, £. 3,990,300 / Under - 1,501,600	5,491,900	Securities, public - - - £. 5,709,300 / Ditto, private - - - £. 1,315,200	7,024,500
Deposits and sundry balances - - -	1,787,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,627,000
	7,429,300		
Surplus Fund - - - £.	1,222,200	£.	8,651,500
30 June 1824:			
Circulation - - £. 5 and above, £. 3,944,100 / Under - 1,350,700	5,294,800	Securities, public - - - £. 6,334,800 / Ditto, private - - - 1,296,400	7,631,200
Deposits and sundry balances - - -	2,642,900		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,685,100
	8,087,700		
Surplus Fund - - - £.	1,228,600	£.	9,316,300
31 December 1824:			
Circulation - - £. 5 and above, £. 4,512,900 / Under - 1,590,600	6,103,500	Securities, public - - - £. 6,281,500 / Ditto, private - - - 1,941,300	8,222,800
Deposits and sundry balances - - -	2,162,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,441,600
	8,415,900		
Surplus Fund - - - £.	1,248,500	£.	9,664,400
30 June 1825:			
Circulation - - £. 5 and above, £. 4,504,400 / Under - 1,664,100	6,168,500	Securities, public - - - £. 5,890,800 / Ditto, private - - - 2,819,000	8,709,800
Deposits and sundry balances - - -	2,531,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	150,000	Specie - - - - - - -	1,392,300
	8,849,800		
Surplus Fund - - - £.	1,252,300	£.	10,102,100

British Currency.

	£.		£
31 December 1825, say 6 January 1826:			
Circulation - - £. 5 and above, £. 4,435,100 / Under - 1,654,600	6,089,700	Securities, public - - - £. 5,445,000 / Ditto, private - - - 3,619,300	9,064,300
Deposits and sundry balances - - -	3,002,000		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,335,600
	9,230,100		
Surplus Fund - - - £.	1,169,800	£.	10,399,900
30 June 1826:			
Circulation - - £. 5 and above, £. 3,146,700 / Under - 1,429,800	4,576,500	Securities, public - - - £. 3,211,000 / Ditto, private - - - 3,569,400	6,780,400
Deposits and sundry balances - - -	2,000,800		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,089,600
	6,715,700		
Surplus Fund - - - £.	1,154,300	£.	7,870,000
31 December 1826:			
Circulation - - £. 5 and above, £. 2,923,600 / Under - 1,571,700	4,495,300	Securities, public - - - [£. 3,786,200 / Ditto, private - - - 3,597,800	7,384,000
Deposits and sundry balances - - -	2,500,600		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	909,000
	7,134,300		
Surplus Fund - - - £.	1,158,700	£.	8,293,000

	£.		£.
30 June 1827:			
Circulation - - £. 5 and above, £. 2,695,000	4,097,600	Securities, public - - - £. 4,157,000	7,080,000
Under - 1,402,600		Ditto, private - - - 2,923,000	
Deposits and sundry balances - - -	2,549,000		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	889,100
	6,785,000		
Surplus Fund - - - £.	1,184,100	£.	7,969,100
31 December 1827:			
Circulation - - £. 5 and above, £. 2,870,700	4,563,100	Securities, public - - - £. 4,100,000	7,561,000
Under - 1,692,400		Ditto, private - - - 3,461,000	
Deposits and sundry balances - - -	2,668,100		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	942,900
	7,369,600		
Surplus Fund - - - £.	1,134,300	£.	8,503,900
30 June 1828:			
Circulation - - £. 5 and above, £. 2,841,900	4,367,300	Securities, public - - - £. 4,118,000	7,621,100
Under - 1,525,400		Ditto, private - - - 3,503,100	
Deposits and sundry balances - - -	2,949,600		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	964,400
	7,455,300		
Surplus Fund - - - £.	1,130,200	£.	8,585,500
31 December 1828:			
Circulation - - £. 5 and above, £. 3,060,700	4,967,400	Securities, public - - - £. 3,972,700	8,188,200
Under - 1,906,700		Ditto, private - - - 4,215,500	
Deposits and sundry balances - - -	3,293,200		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,310,800
	8,399,000		
Surplus Fund - - - £.	1,100,000	£.	9,499,000
30 June 1829:			
Circulation - - £. 5 and above, £. 2,950,500	4,124,000	Securities, public - - - £. 3,281,000	6,559,500
Under - 1,173,500		Ditto, private - - - 3,278,500	
Deposits and sundry balances - - -	2,928,200		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,717,200
	7,190,600		
Surplus Fund - - - £.	1,086,100	£.	8,276,700
31 December 1829:			
Circulation - - £. 5 and above, £. 2,759,900	4,210,500	Securities, public - - - £. 3,287,300	7,024,400
Under - 1,450,600		Ditto, private - - - 3,737,100	
Deposits and sundry balances - -	3,455,100		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,827,800
	7,804,000		
Surplus Fund - - - £.	1,048,200	£.	8,852,200
30 June 1830:			
Circulation - - £. 5 and above, £. 2,566,700	3,754,600	Securities, public - - - £. 4,025,500	7,057,500
Under - 1,187,900		Ditto, private - - - 3,032,000	
Deposits and sundry balances - - -	3,338,700		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,229,000
	7,231,700		
Surplus Fund - - - £.	1,054,800	£.	8,286,500

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	£.		£.
31 December 1830:			
Circulation - - £. 5 and above, £. 2,611,900 / Under - 1,562,400	4,174,300	Securities, public - - - £. 3,801,600 / Ditto, private - - - 3,866,500	7,668,100
Deposits and sundry balances - - -	3,418,700		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,127,200
	7,731,400		
Surplus Fund - - - £.	1,063,900	£.	8,795,300

	£.		£.
30 June 1831:			
Circulation - - £. 5 and above, £. 2,355,200 / Under - 1,183,700	3,538,900	Securities, public - - - £. 3,895,200 / Ditto, private - - - 2,806,200	6,701,400
Deposits and sundry balances - - -	3,138,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,169,600
	6,815,600		
Surplus Fund - - - £.	1,055,400	£.	7,871,000

	£.		£.
31 December 1831:			
Circulation - - £. 5 and above, £. 2,565,400 / Under - 1,619,300	4,184,700	Securities, public - - - £. 4,107,400 / Ditto, private - - - 3,409,000	7,516,400
Deposits and sundry balances - - -	3,330,400		
Due Bank Stock Proprietors over amount of capital lent to Government - -	138,400	Specie - - - - - - -	1,185,200
	7,653,500		
Surplus Fund - - - £.	1,048,100	£.	8,701,600

	£.		£.
30 June 1832:			
Circulation - - £. 5 and above, £. 2,513,300 / Under - 1,411,600	3,924,900	Securities, public - - - £. 4,559,800 / Ditto, private - - - 2,526,200	7,086,000
Deposits and sundry balances - - -	3,092,500		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - -	1,119,400
	7,155,800		
Surplus Fund - - - £.	1,049,600	£.	8,205,400

	£.		£.
31 December 1832:			
Circulation - - £. 5 and above, £. 2,645,300 / Under - 1,668,500	4,313,800	Securities, public - - - £. 4,382,300 / Ditto, private - - - 3,098,000	7,480,300
Deposits and sundry balances - - -	3,163,900		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	1,185,400
	7,616,100		
Surplus Fund - - - £.	1,049,600	£.	8,665,700

	£.		£.
30 June 1833:			
Circulation - - £ 5 and above, £. 2,474,600 / Under - 1,348,700	3,823,300	Securities, public - £. 4,896,000 / Ditto, private - - 2,498,000	7,394,000
Deposits and sundry balances - - -	3,271,100		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	891,000
	7,232,800		
Surplus Fund - - - £.	1,052,200	£.	8,285,000

	£.		£.
31 December 1833:			
Circulation - - £. 5 and above, £. 2,438,600 / Under - 1,541,000	3,979,600	Securities, public - - - £. 4,312,000 / Ditto, private - - - 3,222,600	7,534,600
Deposits and sundry balances - - -	3,307,100		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	944,000
	7,425,100		
Surplus Fund - - - £.	1,053,500	£.	8,478,600

	£.		£.
30 June 1834:			
Circulation - - £. 5 and above, £. 2,440,600	3,668,100	Securities, public - - - £. 5,038,700	7,501,700
Under - 1,227,500		Ditto, private - - - 2,463,000	
Deposits and sundry balances - - -	3,428,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	786,600
	7,234,900		
Surplus Fund - - - £.	1,053,400	£.	8,288,300

	£.		£.
31 December 1834:			
Circulation - - £. 5 and above, £. 2,398,400	3,789,400	Securities, public - - - £. 4,726,000	7,832,800
Under - 1,391,000		Ditto, private - - - 3,106,800	
Deposits and sundry balances - - -	3,633,400		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	778,800
	7,561,200		
Surplus Fund - - - £.	1,050,400	£.	8,611,600

	£.		£.
30 June 1835:			
Circulation - - £. 5 and above, £. 2,150,600	3,460,000	Securities, public - - - £. 4,780,700	7,234,900
Under - 1,309,400		Ditto, private - - - 2,454,200	
Deposits and sundry balances - - -	3,312,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	721,200
	6,910,700		
Surplus Fund - - - £.	1,045,400	£.	7,956,100

	£.		£.
31 December 1835:			
Circulation - - £. 5 and above, £. 2,283,600	3,455,100	Securities, public - - - £. 4,607,000	7,433,000
Under - 1,171,500		Ditto, private - - - 2,826,000	
Deposits and sundry balances - - -	3,501,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	702,500
	7,094,800		
Surplus Fund - - - £.	1,040,700	£.	8,135,500

	£.		£.
30 June 1836:			
Circulation - - £. 5 and above, £. 2,300,800	3,316,700	Securities, public - - - £. 4,436,700	7,156,200
Under - 1,015,900		Ditto, private - - - 2,719,500	
Deposits and sundry balances - - -	3,405,600		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	746,000
	6,860,700		
Surplus Fund - - - £.	1,041,500	£.	7,902,200

	£.		£.
31 December 1836:			
Circulation - - £. 5 and above, £. 2,234,800	3,481,100	Securities, public - - - £. 3,368,880	6,683,200
Under - 1,246,300		Ditto, private - - - 3,314,320	
Deposits and sundry balances - - -	2,898,300		
Due Bank Stock Proprietors over amount of capital lent to Government - - -	138,400	Specie - - - - - - -	887,700
	6,517,800		
Surplus Fund - - - £.	1,053,100	£.	7,570,900

Bank of Ireland, 1 March 1837.

R. Culley, Accountant-general.

— No. 3. —

AN ACCOUNT of the CIRCULATION of the BANK of IRELAND on Two Days in each Month, from 1808 to 1836; distinguishing the same into Large Notes, Small Notes and Post Bills.

N. B.—All Amounts up to January 1826 are stated in late Irish Currency; subsequently, British.

Date.	Large Notes, 5 *l.* & upwards.	Small Notes, under 5 *l.*	Post Bills.	TOTAL, late Irish Currency.
1808:	£.	£.	£.	£.
Jan. 1	1,184,800	825,500	722,100	2,732,400
— 15	1,191,600	813,200	698,400	2,703,200
Feb. 1	1,213,800	800,400	717,600	2,731,800
— 15	1,130,000	795,700	695,600	2,621,300
Mar. 1	1,143,000	805,800	730,300	2,679,100
— 15	1,091,400	803,200	712,000	2,606,600
April 1	1,158,300	811,700	745,700	2,715,700
— 15	1,234,100	825,300	716,700	2,776,100
May 1	1,205,200	851,300	769,500	2,826,000
— 15	1,179,600	857,600	747,700	2,784,900
June 1	1,267,400	857,600	769,800	2,894,800
— 15	1,214,900	862,000	734,800	2,811,700
July 1	1,250,800	874,200	739,000	2,864,000
— 15	1,173,900	901,500	701,800	2,777,200
Aug. 1	1,228,900	908,400	746,900	2,884,200
— 15	1,161,900	906,000	750,900	2,818,800
Sept. 1	1,194,600	905,400	800,700	2,900,700
— 15	1,144,600	899,900	799,000	2,843,500
Oct. 1	1,229,900	904,900	814,100	2,948,900
— 15	1,192,900	924,600	825,400	2,942,900
Nov. 1	1,228,300	924,900	844,700	2,997,900
— 15	1,199,100	924,000	849,400	2,972,500
Dec. 1	1,200,000	931,700	875,100	3,006,800
— 15	1,205,400	941,700	860,200	3,007,300
Average for 1808	1,192,600	869,000	765,300	2,827,000
1809:				
Jan. 1	1,282,700	955,400	903,300	3,141,400
— 15	1,249,900	952,900	861,000	3,063,800
Feb. 1	1,223,800	952,200	886,500	3,062,500
— 15	1,222,800	949,500	866,200	3,038,500
Mar. 1	1,260,800	963,000	900,900	3,124,700
— 15	1,238,300	959,800	906,400	3,104,500
April 1	1,306,200	981,800	912,400	3,200,400
— 15	1,382,500	978,800	903,200	3,264,500
May 1	1,329,700	989,600	943,800	3,263,100
— 15	1,315,300	974,600	909,900	3,199,800
June 1	1,233,300	963,700	904,400	3,101,400
— 15	1,249,600	931,700	907,800	3,089,100
July 1	1,298,000	930,300	919,700	3,148,000
— 15	1,325,400	931,500	857,100	3,114,000
Aug. 1	1,213,800	910,200	860,000	2,984,000
— 15	1,174,100	885,800	826,600	2,886,500
Sept. 1	1,223,600	861,900	845,900	2,931,400
— 15	1,168,500	840,500	826,300	2,835,300
Oct. 1	1,246,100	842,500	876,500	2,965,100
— 15	1,271,300	842,700	882,600	2,996,600
Nov. 1	1,309,400	835,500	916,200	3,061,100
— 15	1,301,200	825,700	888,400	3,015,300
Dec. 1	1,335,700	816,900	911,800	3,064,400
— 15	1,287,600	804,700	887,100	2,979,400
Average for 1809	1,268,700	911,700	887,600	3,068,100
1810:				
Jan. 1	1,385,900	837,600	968,600	3,192,100
— 15	1,412,400	830,400	949,000	3,191,800
Feb. 1	1,360,000	822,100	975,700	3,157,800
— 15	1,341,200	814,300	956,800	3,112,300
Mar. 1	1,345,400	815,800	971,900	3,133,100
— 15	1,327,600	812,200	919,200	3,059,000
April 1	1,467,600	811,500	937,800	3,216,900
— 15	1,468,300	811,400	918,800	3,198,500
May 1	1,423,600	827,400	923,800	3,174,800
— 15	1,418,900	817,600	897,400	3,133,900
June 1	1,452,200	804,700	908,700	3,165,600
— 15	1,421,900	789,900	870,200	3,082,000
July 1	1,487,100	780,900	883,000	3,151,000
— 15	1,452,600	779,400	832,200	3,064,200
Aug. 1	1,419,400	788,300	868,500	3,076,200
— 15	1,471,500	791,800	844,000	3,107,300
Sept. 1	1,439,900	788,900	867,400	3,096,200
— 15	1,423,800	773,000	849,500	3,046,300
Oct. 1	1,486,000	792,700	878,900	3,157,600
— 15	1,555,600	797,500	870,500	3,223,600
Nov. 1	1,535,800	793,900	926,000	3,255,700
— 15	1,451,500	792,500	929,300	3,173,300
Dec. 1	1,482,100	787,300	956,400	3,225,800
— 15	1,560,600	844,600	976,200	3,381,400
Average for 1810	1,441,200	804,400	911,600	3,157,300
1811:				
Jan. 1	1,648,400	866,700	997,600	3,512,700
— 15	1,682,400	858,000	962,900	3,503,300
Feb. 1	1,634,200	860,300	1,012,200	3,506,700
— 15	1,590,600	858,500	979,100	3,428,200
Mar. 1	1,621,600	867,900	1,006,900	3,496,400
— 15	1,648,700	871,200	993,500	3,513,400
April 1	1,756,000	888,400	1,019,600	3,664,000
— 15	1,801,200	896,700	988,300	3,686,200
May 1	1,755,000	911,700	1,017,700	3,684,400
— 15	1,597,400	911,900	972,900	3,482,200
June 1	1,569,500	909,200	977,700	3,456,400
— 15	1,540,100	887,500	904,100	3,331,700
July 1	1,647,800	897,200	887,800	3,432,800
— 15	1,634,400	905,100	865,200	3,404,700
Aug. 1	1,678,700	908,300	901,800	3,488,800
— 15	1,635,500	899,500	875,800	3,410,800
Sept. 1	1,614,600	892,000	896,600	3,403,200
— 15	1,547,600	888,600	865,000	3,301,200
Oct. 1	1,596,600	896,700	894,000	3,387,300
— 15	1,688,000	902,700	914,000	3,504,700
Nov. 1	1,624,000	916,000	996,800	3,536,800
— 15	1,606,000	935,000	1,027,800	3,568,800
Dec. 1	1,660,200	945,600	1,053,200	3,659,000
— 15	1,690,100	939,400	1,030,900	3,660,400
Average for 1811	1,644,500	896,400	960,000	3,501,000
1812:				
Jan. 1	1,798,300	950,100	1,051,700	3,800,100
— 15	1,771,900	944,100	1,041,000	3,757,000
Feb. 1	1,685,100	932,800	1,069,000	3,686,900
— 15	1,717,900	932,800	1,037,600	3,688,300
Mar. 1	1,696,400	938,400	1,080,900	3,715,700
— 15	1,669,700	941,700	1,068,300	3,679,700
April 1	1,721,300	947,500	1,081,100	3,749,900
— 15	1,747,000	952,000	1,058,300	3,757,300
May 1	1,712,400	976,100	1,097,100	3,785,600
— 15	1,741,700	985,700	1,067,100	3,794,500
June 1	1,762,400	977,200	1,108,100	3,847,700
— 15	1,618,900	970,700	1,045,500	3,635,100
July 1	1,698,200	971,300	1,056,800	3,726,300
— 15	1,708,400	987,600	1,040,200	3,736,200
Aug. 1	1,640,500	1,027,800	1,064,200	3,732,500
— 15	1,636,700	1,041,700	1,060,300	3,738,700

Date.	Large Notes, 5*l.* & upwards.	Small Notes, under 5 *l.*	Post Bills.	TOTAL, late Irish Currency.
1812:	£.	£.	£.	£.
Sept. 1	1,650,800	1,036,400	1,089,000	3,776,200
— 15	1,560,100	1,038,300	1,071,000	3,669,400
Oct. 1	1,622,600	1,055,100	1,103,600	3,781,300
— 15	1,672,100	1,073,000	1,105,400	3,850,500
Nov. 1	1,668,800	1,101,600	1,155,900	3,926,300
— 15	1,653,600	1,131,000	1,185,100	3,969,700
Dec. 1	1,629,700	1,199,100	1,187,200	4,016,000
— 15	1,729,400	1,253,000	1,184,500	4,166,900
Average for 1812	1,688,000	1,015,200	1,087,800	3,791,100
1813:				
Jan. 1	1,727,400	1,284,000	1,178,000	4,189,400
— 15	1,666,100	1,345,400	1,182,000	4,193,500
Feb. 1	1,688,000	1,359,100	1,178,700	4,225,800
— 15	1,695,500	1,371,000	1,162,700	4,229,200
Mar. 1	1,685,000	1,416,100	1,157,700	4,258,800
— 15	1,670,400	1,428,900	1,161,800	4,261,100
April 1	1,711,700	1,453,100	1,158,300	4,323,100
— 15	1,759,900	1,499,000	1,150,800	4,409,700
May 1	1,713,400	1,495,900	1,162,000	4,371,300
— 15	1,682,700	1,511,700	1,161,300	4,355,700
June 1	1,667,400	1,498,400	1,112,500	4,278,300
— 15	1,657,400	1,494,500	1,057,700	4,209,600
July 1	1,668,600	1,489,300	1,051,500	4,209,400
— 15	1,732,300	1,448,200	1,015,300	4,195,800
Aug. 1	1,650,900	1,425,800	1,049,100	4,125,800
— 15	1,691,200	1,385,400	1,030,700	4,107,300
Sept. 1	1,587,200	1,363,500	1,050,300	4,001,000
— 15	1,676,200	1,327,700	1,060,800	4,064,700
Oct. 1	1,646,300	1,349,200	1,098,000	4,093,500
— 15	1,785,600	1,338,900	1,140,700	4,265,200
Nov. 1	1,726,400	1,349,100	1,195,600	4,271,100
— 15	1,685,400	1,314,800	1,166,500	4,166,700
Dec. 1	1,691,900	1,313,200	1,156,000	4,161,100
— 15	1,713,200	1,289,500	1,134,500	4,137,200
Average for 1813	1,690,800	1,397,900	1,123,800	4,212,600
1814:				
Jan. 1	1,676,400	1,298,700	1,147,200	4,122,300
— 15	1,712,400	1,264,600	1,132,900	4,109,900
Feb. 1	1,722,200	1,263,000	1,189,200	4,174,400
— 15	1,731,700	1,245,500	1,177,000	4,154,200
Mar. 1	1,691,300	1,239,900	1,168,400	4,099,600
— 15	1,701,800	1,231,100	1,166,900	4,099,800
April 1	1,723,700	1,259,000	1,194,800	4,177,500
— 15	1,891,400	1,256,300	1,204,100	4,351,800
May 1	1,863,400	1,275,600	1,213,000	4,352,000
— 15	1,947,500	1,271,200	1,177,800	4,396,500
June 1	1,755,100	1,273,000	1,185,700	4,213,800
— 15	1,804,700	1,259,400	1,137,600	4,201,700
July 1	1,887,800	1,378,600	1,174,100	4,440,500
— 15	2,067,800	1,433,400	1,184,800	4,686,000
Aug. 1	1,967,700	1,491,400	1,222,000	4,681,100
— 15	1,944,000	1,459,100	1,227,700	4,630,800
Sept. 1	1,805,800	1,477,700	1,267,600	4,551,100
— 15	1,815,400	1,446,600	1,260,200	4,522,200
Oct. 1	1,803,500	1,474,600	1,293,900	4,572,000
— 15	1,891,900	1,491,200	1,323,400	4,706,500
Nov. 1	1,859,600	1,507,400	1,393,600	4,760,600
— 15	1,848,600	1,492,900	1,387,900	4,729,400
Dec. 1	1,855,200	1,498,400	1,370,000	4,723,600
— 15	1,800,400	1,470,100	1,327,100	4,597,600
Average for 1814	1,823,700	1,364,900	1,230,200	4,418,900
1815:				
Jan. 1	1,818,100	1,477,500	1,320,000	4,615,600
— 15	1,869,900	1,437,000	1,288,600	4,595,500
Feb. 1	1,855,700	1,418,100	1,301,100	4,574,900
— 15	1,867,000	1,395,500	1,247,300	4,509,800
Mar. 1	1,831,400	1,391,400	1,379,100	4,601,900
— 15	1,887,200	1,354,200	1,200,200	4,341,600
April 1	1,827,700	1,374,300	1,225,300	4,427,300
April 15	1,898,000	1,355,800	1,198,700	4,452,500
May 1	1,851,800	1,374,000	1,242,100	4,467,900
— 15	1,852,800	1,353,100	1,213,900	4,429,800
June 1	1,795,500	1,332,100	1,193,300	4,320,900
— 15	1,778,300	1,305,300	1,150,700	4,234,300
July 1	1,791,000	1,329,600	1,132,700	4,253,300
— 15	1,822,500	1,325,700	1,138,400	4,286,600
Aug. 1	1,773,100	1,324,700	1,148,800	4,246,600
— 15	1,758,000	1,299,100	1,113,600	4,170,700
Sept. 1	1,696,600	1,277,500	1,090,100	4,064,200
— 15	1,664,700	1,259,800	1,085,800	4,010,300
Oct. 1	1,626,400	1,274,900	1,130,900	4,032,200
— 15	1,723,900	1,270,500	1,169,100	4,163,500
Nov. 1	1,712,300	1,280,900	1,198,500	4,191,700
— 15	1,707,100	1,262,000	1,164,600	4,133,700
Dec. 1	1,684,300	1,260,500	1,173,500	4,118,300
— 15	1,676,900	1,247,100	1,130,600	4,054,600
Average for 1815	1,778,300	1,332,500	1,193,200	4,304,000
1816:				
Jan. 1	1,688,700	1,275,800	1,141,300	4,105,800
— 15	1,720,100	1,254,700	1,129,200	4,104,000
Feb. 1	1,719,600	1,268,100	1,146,000	4,133,700
— 15	1,691,400	1,249,200	1,149,000	4,089,600
Mar. 1	1,659,900	1,246,900	1,143,100	4,049,900
— 15	1,662,100	1,244,000	1,138,000	4,044,100
April 1	1,725,000	1,244,000	1,164,500	4,133,500
— 15	1,742,000	1,244,600	1,153,100	4,139,700
May 1	1,791,100	1,248,200	1,174,900	4,214,200
— 15	1,778,700	1,245,800	1,165,000	4,189,500
June 1	1,811,800	1,240,900	1,160,500	4,213,200
— 15	1,820,800	1,215,700	1,159,900	4,196,400
July 1	1,853,100	1,247,800	1,181,000	4,281,900
— 15	1,893,600	1,240,700	1,181,200	4,315,500
Aug. 1	1,882,600	1,248,900	1,198,500	4,330,000
— 15	1,844,100	1,226,000	1,234,900	4,305,000
Sept. 1	1,793,400	1,210,700	1,264,200	4,268,300
— 15	1,758,600	1,180,100	1,252,600	4,191,300
Oct. 1	1,751,600	1,187,500	1,283,500	4,222,600
— 15	1,795,900	1,173,900	1,283,800	4,253,600
Nov. 1	1,719,500	1,184,200	1,299,700	4,203,400
— 15	1,739,700	1,177,700	1,294,000	4,211,400
Dec. 1	1,698,800	1,181,800	1,334,200	4,214,800
— 15	1,718,900	1,163,200	1,291,700	4,173,800
Average for 1816	1,760,800	1,225,000	1,205,100	4,191,000
1817:				
Jan. 1	1,743,200	1,189,500	1,338,300	4,271,000
— 15	1,797,800	1,178,300	1,355,100	4,331,200
Feb. 1	1,894,800	1,138,400	1,378,000	4,411,200
— 15	1,865,500	1,162,300	1,358,500	4,386,300
Mar. 1	1,826,900	1,166,600	1,375,600	4,369,100
— 15	1,817,900	1,146,800	1,362,400	4,327,100
April 1	1,920,300	1,153,400	1,397,500	4,471,200
— 15	1,922,600	1,151,400	1,403,100	4,477,100
May 1	1,905,200	1,161,500	1,423,200	4,489,900
— 15	1,877,900	1,152,400	1,383,300	4,413,600
June 1	1,846,700	1,143,200	1,339,700	4,329,600
— 15	1,857,400	1,228,300	1,317,500	4,403,200
July 1	1,904,100	1,133,200	1,316,600	4,353,900
— 15	1,960,400	1,143,600	1,335,600	4,439,600
Aug. 1	2,002,400	1,114,600	1,398,000	4,515,000
— 15	1,919,700	1,127,000	1,416,300	4,463,000
Sept. 1	1,850,700	1,101,200	1,373,600	4,325,500
— 15	1,822,600	1,081,900	1,377,800	4,282,300
Oct. 1	1,817,100	1,087,900	1,376,200	4,281,200
— 15	1,888,300	1,107,500	1,406,700	4,402,500
Nov. 1	1,848,400	1,130,800	1,423,500	4,402,700
— 15	1,888,900	1,119,800	1,410,900	4,419,600
Dec. 1	1,919,600	1,120,600	1,393,900	4,434,100
— 15	1,857,900	1,120,300	1,402,900	4,381,100
Average for 1817	1,873,100	1,140,000	1,377,700	4,390,800

Date.	Large Notes, 5 *l.* & upwards.	Small Notes, under 5 *l.*	Post Bills.	TOTAL, late Irish Currency.
1818:	£.	£.	£.	£.
Jan. 1	1,865,300	1,130,000	1,422,700	4,418,000
— 15	1,949,700	1,123,300	1,430,100	4,503,100
Feb. 1	2,001,500	1,089,900	1,424,400	4,515,800
— 15	1,978,000	1,090,200	1,374,900	4,443,100
Mar. 1	1,931,300	1,088,100	1,352,600	4,372,000
— 15	1,927,600	1,088,900	1,363,800	4,380,300
April 1	1,909,100	1,091,900	1,375,800	4,376,800
— 15	2,012,400	1,096,900	1,365,900	4,475,200
May 1	2,022,400	1,117,200	1,349,300	4,488,900
— 15	1,993,800	1,128,600	1,310,100	4,432,500
June 1	1,998,500	1,136,400	1,292,700	4,427,600
— 15	1,995,100	1,136,900	1,264,600	4,396,600
July 1	1,994,800	1,120,000	1,278,600	4,393,400
— 15	2,050,300	1,170,500	1,347,600	4,568,400
Aug. 1	1,997,000	1,166,000	1,327,900	4,490,900
— 15	1,964,400	1,168,700	1,327,000	4,460,100
Sept. 1	1,896,000	1,163,000	1,297,400	4,356,400
— 15	1,837,600	1,162,700	1,304,600	4,304,900
Oct. 1	1,809,500	1,184,900	1,325,300	4,319,700
— 15	1,863,900	1,192,600	1,351,400	4,407,900
Nov. 1	1,856,800	1,212,400	1,372,100	4,441,300
— 15	1,864,700	1,204,900	1,365,900	4,435,500
Dec. 1	1,873,600	1,212,900	1,372,200	4,458,700
— 15	1,914,500	1,230,600	1,365,800	4,510,900
Average for 1818	1,937,800	1,146,100	1,348,400	4,432,400
1819:				
Jan. 1	1,829,800	1,290,500	1,356,700	4,477,000
— 15	1,912,900	1,269,400	1,344,900	4,527,200
Feb. 1	1,935,300	1,255,100	1,367,500	4,557,900
— 15	1,913,700	1,240,200	1,337,000	4,490,900
Mar. 1	1,902,400	1,259,900	1,337,200	4,499,500
— 15	1,903,700	1,254,800	1,322,200	4,480,700
April 1	1,860,100	1,238,000	1,324,400	4,422,500
— 15	1,929,200	1,255,300	1,305,600	4,490,100
May 1	1,904,900	1,272,000	1,319,200	4,496,100
— 15	1,897,000	1,238,200	1,304,000	4,439,200
June 1	1,869,100	1,222,400	1,301,300	4,392,800
— 15	1,824,200	1,218,000	1,245,600	4,287,800
July 1	1,849,000	1,192,200	1,244,700	4,285,900
— 15	1,905,500	1,214,400	1,223,800	4,343,700
Aug. 1	1,882,900	1,200,500	1,221,300	4,304,700
— 15	1,829,800	1,166,200	1,198,100	4,194,100
Sept. 1	1,830,900	1,149,900	1,158,400	4,139,200
— 15	1,757,000	1,158,700	1,144,900	4,060,600
Oct. 1	1,698,500	1,167,100	1,174,900	4,040,500
— 15	1,781,000	1,176,500	1,182,800	4,140,300
Nov. 1	1,759,900	1,183,800	1,187,300	4,131,000
— 15	1,744,100	1,140,000	1,163,800	4,047,900
Dec. 1	1,684,900	1,142,800	1,140,200	3,967,900
— 15	1,676,400	1,127,200	1,107,600	3,911,200
Average for 1819	1,836,700	1,209,700	1,250,500	4,297,000
1820:				
Jan. 1	1,691,100	1,112,300	1,098,900	3,902,300
— 15	1,680,900	1,112,600	1,086,000	3,879,500
Feb. 1	1,654,600	1,096,900	1,066,600	3,818,100
— 15	1,624,600	1,065,800	1,031,600	3,722,000
Mar. 1	1,587,200	1,080,000	1,032,100	3,699,300
— 15	1,560,800	1,064,200	1,010,300	3,635,300
April 1	1,538,100	1,044,600	1,017,400	3,600,100
— 15	1,612,700	1,069,400	1,015,600	3,697,700
May 1	1,636,100	1,096,500	1,032,000	3,764,600
— 15	1,630,000	1,062,100	1,031,900	3,724,000
June 1	1,655,000	1,103,000	1,098,900	3,856,900
— 15	1,875,600	1,270,100	1,183,600	4,329,300
July 1	1,821,200	1,349,000	1,277,700	4,447,900
— 15	1,855,900	1,411,700	1,267,100	4,534,700
Aug. 1	1,784,300	1,425,300	1,256,100	4,465,700
— 15	1,745,700	1,422,400	1,250,900	4,419,000
Sept. 1	1,689,800	1,463,300	1,254,300	4,398,400
— 15	1,621,000	1,510,000	1,310,100	4,441,100
Oct. 1	1,638,200	1,572,200	1,432,100	4,642,500
— 15	1,740,000	1,637,400	1,502,900	4,880,300
Nov. 1	1,704,200	1,695,300	1,584,500	4,984,000
— 15	1,738,700	1,653,200	1,581,500	4,973,400
Dec. 1	1,658,600	1,719,600	1,571,700	4,949,900
— 15	1,717,500	1,710,700	1,607,400	5,035,600
Average for 1820	1,685,500	1,322,800	1,233,300	4,241,700
1821:				
Jan. 1	1,746,100	1,674,100	1,639,700	5,059,900
— 15	1,791,900	1,692,800	1,678,600	5,163,300
Feb. 1	1,808,700	1,659,800	1,764,400	5,232,900
— 15	1,813,700	1,653,700	1,796,500	5,263,900
Mar. 1	1,807,500	1,687,700	1,810,000	5,305,200
— 15	1,829,600	1,683,600	1,824,200	5,337,400
April 1	1,825,700	1,660,100	1,819,400	5,305,200
— 15	1,892,900	1,674,100	1,768,500	5,335,500
May 1	1,859,300	1,671,500	1,785,300	5,316,100
— 15	1,876,400	1,603,000	1,751,500	5,230,900
June 1	1,831,100	1,586,200	1,697,200	5,114,500
— 15	1,800,500	1,545,600	1,657,300	5,003,400
July 1	1,835,200	1,515,400	1,624,400	4,975,000
— 15	1,922,200	1,511,500	1,621,700	5,055,400
Aug. 1	1,922,600	1,490,600	1,636,500	5,049,700
— 15	1,937,500	1,462,600	1,607,600	5,007,700
Sept. 1	1,898,100	1,484,500	1,621,900	5,004,500
— 15	1,877,300	1,460,000	1,656,800	4,994,100
Oct. 1	1,828,400	1,497,500	1,784,200	5,110,100
— 15	1,893,600	1,544,400	1,818,300	5,256,300
Nov. 1	1,879,600	1,573,000	1,894,600	5,347,200
— 15	1,914,200	1,543,300	1,887,000	5,344,500
Dec. 1	1,888,900	1,572,400	1,858,300	5,319,600
— 15	1,875,600	1,549,700	1,826,800	5,252,100
Average for 1821	1,856,500	1,583,200	1,742,900	5,182,600
1822:				
Jan. 1	1,865,700	1,560,300	1,865,000	5,291,000
— 15	1,942,700	1,555,600	1,918,600	5,416,900
Feb. 1	1,981,100	1,496,700	1,913,800	5,391,600
— 15	2,044,500	1,472,900	1,888,300	5,405,700
Mar. 1	2,025,300	1,499,500	1,891,400	5,416,200
— 15	2,011,900	1,480,800	1,899,200	5,391,900
April 1	1,996,300	1,465,200	1,864,000	5,325,500
— 15	2,034,100	1,441,500	1,827,200	5,302,800
May 1	2,021,500	1,417,600	1,808,200	5,247,300
— 15	2,043,200	1,375,000	1,778,800	5,197,000
June 1	1,959,400	1,345,800	1,695,900	5,001,100
— 15	1,923,900	1,305,200	1,616,700	4,845,800
July 1	1,911,200	1,291,500	1,581,100	4,783,800
— 15	1,951,600	1,300,200	1,607,300	4,859,100
Aug. 1	1,946,600	1,290,100	1,664,800	4,901,500
— 15	1,932,900	1,290,700	1,701,500	4,925,100
Sept. 1	1,851,200	1,323,000	1,739,700	4,913,900
— 15	1,821,900	1,316,100	1,741,300	4,879,300
Oct. 1	1,760,700	1,353,100	1,796,800	4,910,600
— 15	1,818,100	1,371,100	1,826,500	5,015,700
Nov. 1	1,855,300	1,401,800	1,903,400	5,160,500
— 15	1,900,000	1,374,500	1,879,300	5,153,800
Dec. 1	1,856,200	1,407,600	1,857,300	5,121,100
— 15	1,852,000	1,400,200	1,838,100	5,090,300
Average for 1822	1,929,400	1,397,300	1,796,000	5,122,800
1823:				
Jan. 1	1,864,500	1,422,300	1,841,800	5,128,600
— 15	1,880,900	1,422,300	1,869,600	5,172,800
Feb. 1	1,919,600	1,386,200	1,898,200	5,204,000
— 15	1,886,000	1,372,600	1,871,400	5,130,000
Mar. 1	1,827,600	1,415,000	1,857,700	5,100,300
— 15	1,791,000	1,390,900	1,837,000	5,018,900
April 1	1,769,600	1,400,800	1,853,600	5,024,000
— 15	1,881,200	1,390,300	1,830,000	5,101,500

(*continued*)

Date.	Large Notes, 5 *l.* & upwards.	Small Notes, under 5 *l.*	Post Bills.	TOTAL, late Irish Currency.
1823:	£.	£.	£.	£.
May 1	1,824,800	1,385,400	1,808,500	5,018,700
— 15	1,834,800	1,338,400	1,791,200	4,964,400
June 1	1,758,500	1,358,200	1,755,400	4,872,100
— 15	1,742,700	1,335,900	1,694,500	4,773,100
July 1	1,763,000	1,333,900	1,672,000	4,768,900
— 15	1,822,000	1,344,100	1,695,700	4,861,800
Aug. 1	1,838,800	1,305,400	1,730,300	4,874,500
— 15	1,831,900	1,297,700	1,801,700	4,931,300
Sept. 1	1,766,100	1,330,400	1,814,300	4,910,800
— 15	1,779,700	1,318,200	1,776,100	4,874,000
Oct. 1	1,777,500	1,352,700	1,843,900	4,974,100
— 15	1,846,000	1,399,400	1,984,700	5,230,100
Nov. 1	1,845,900	1,466,700	2,116,500	5,429,100
— 15	1,892,300	1,451,800	2,099,600	5,443,700
Dec. 1	1,869,800	1,497,400	2,089,200	5,456,400
— 15	1,851,700	1,492,700	2,085,600	5,430,000
Average for 1823	1,827,700	1,383,600	1,859,100	5,070,500
1824:				
Jan. 1	1,905,100	1,483,000	2,119,300	5,507,400
— 15	1,955,800	1,523,500	2,190,700	5,670,000
Feb. 1	1,970,200	1,481,900	2,250,400	5,702,500
— 15	1,981,000	1,468,500	2,247,100	5,696,600
Mar. 1	1,941,700	1,505,300	2,208,000	5,655,000
— 15	1,935,200	1,473,500	2,215,000	5,623,700
April 1	1,955,900	1,436,500	2,225,000	5,617,400
— 15	2,031,000	1,464,300	2,198,600	5,693,900
May 1	1,991,200	1,450,800	2,224,500	5,666,500
— 15	2,000,900	1,408,000	2,167,600	5,576,500
June 1	1,930,300	1,423,800	2,120,300	5,474,400
— 15	1,883,900	1,401,700	2,075,900	5,361,500
July 1	1,966,000	1,338,800	2,028,000	5,332,800
— 15	2,004,400	1,397,100	1,997,900	5,399,400
Aug. 1	1,997,900	1,373,500	1,987,700	5,359,100
— 15	1,963,700	1,350,300	1,961,200	5,275,200
Sept. 1	1,869,900	1,370,500	1,976,200	5,216,600
— 15	1,846,000	1,377,400	1,982,000	5,205,400
Oct. 1	1,840,500	1,413,600	2,114,300	5,368,400
— 15	1,932,200	1,491,100	2,265,000	5,688,300
Nov. 1	1,929,200	1,542,200	2,434,400	5,905,800
— 15	1,940,100	1,516,000	2,485,000	5,941,100
Dec. 1	1,888,900	1,552,200	2,499,500	5,940,600
— 15	1,857,900	1,572,400	2,606,300	6,036,600
Average for 1824	1,938,200	1,450,600	2,190,800	5,579,700
1825:				
Jan. 1	1,917,700	1,579,700	2,621,100	6,118,500
— 15	1,976,300	1,612,900	2,660,600	6,249,800
Feb. 1	2,015,200	1,598,200	2,754,700	6,368,100
— 15	2,009,000	1,589,700	2,765,400	6,364,100
Mar. 1	1,999,300	1,603,400	2,763,900	6,366,600
— 15	1,939,300	1,616,300	2,783,100	6,338,700
April 1	1,907,800	1,628,200	2,858,100	6,394,100
— 15	1,949,100	1,623,500	2,801,100	6,373,700
May 1	1,959,400	1,639,400	2,782,500	6,381,300
— 15	1,982,500	1,635,400	2,731,600	6,349,500
June 1	1,992,200	1,607,600	2,647,000	6,246,800
— 15	1,956,300	1,590,200	2,518,000	6,064,600
July 1	1,981,800	1,666,100	2,536,900	6,184,800
— 15	2,047,000	1,603,300	2,459,600	6,109,900
Aug. 1	1,978,300	1,649,400	2,423,400	6,051,100
— 15	1,958,000	1,623,600	2,485,000	6,066,600
Sept. 1	1,875,900	1,578,800	2,393,300	5,848,000
— 15	1,872,200	1,651,600	2,456,000	5,979,800
Oct. 1	1,888,600	1,808,500	2,731,500	6,428,600
— 15	2,032,400	1,803,100	2,708,600	6,544,100
Nov. 1	1,981,800	1,900,200	2,643,800	6,525,800
— 15	1,993,200	1,914,700	2,957,200	6,865,100
Dec. 1	2,077,200	1,877,000	2,753,500	6,707,700
— 15	1,974,500	1,859,400	2,664,100	6,498,000
Average for 1825	1,969,300	1,677,500	2,662,500	6,309,300

Date.	Large Notes, 5 *l.* & upwards.	Small Notes, under 5 *l.*	Post Bills.	TOTAL, British Currency.
1826:	£.	£.	£.	£.
Jan. 6	1,877,500	1,576,500	2,482,500	5,936,500
— 15	1,951,900	1,458,000	2,503,300	5,913,200
Feb. 1	1,825,900	1,777,500	2,407,100	6,010,500
— 15	1,715,400	1,691,600	2,311,100	5,718,100
Mar. 1	1,613,900	1,884,500	1,983,100	5,481,500
— 15	1,536,900	1,627,200	2,194,300	5,358,400
April 1	1,587,600	1,660,600	2,086,400	5,334,600
— 15	1,523,300	1,974,700	1,802,700	5,300,700
May 1	1,461,300	1,909,200	1,726,800	5,097,300
— 15	1,454,900	1,915,500	1,670,200	5,040,600
June 1	1,408,100	1,823,500	1,580,500	4,812,100
— 15	1,376,400	1,768,600	1,499,300	4,644,300
July 1	1,472,300	1,418,400	1,683,900	4,574,600
— 15	1,428,500	1,685,700	1,457,500	4,571,700
Aug. 1	1,371,700	1,606,200	1,418,400	4,396,300
— 15	1,331,600	1,539,100	1,378,900	4,249,600
Sept. 1	1,308,800	1,513,700	1,403,400	4,225,900
— 15	1,293,600	1,483,500	1,425,500	4,202,600
Oct. 1	1,279,500	1,413,400	1,576,400	4,269,300
— 15	1,387,000	1,479,700	1,481,000	4,347,700
Nov. 1	1,439,100	1,537,300	1,543,500	4,519,900
— 15	1,452,600	1,546,400	1,518,600	4,517,600
Dec. 1	1,460,200	1,565,300	1,544,000	4,569,500
— 15	1,507,800	1,605,600	1,514,900	4,628,300
Average for 1826	1,502,700	1,644,200	1,758,000	4,905,000
1827:				
Jan. 1	1,412,500	1,566,500	1,543,000	4,522,000
— 15	1,505,400	1,560,800	1,453,800	4,520,000
Feb. 1	1,472,100	1,605,500	1,498,200	4,575,800
— 15	1,459,800	1,577,900	1,479,300	4,517,000
Mar. 1	1,467,100	1,554,300	1,477,400	4,498,800
— 15	1,450,800	1,527,600	1,452,100	4,430,500
April 1	1,383,000	1,499,500	1,519,700	4,402,200
— 15	1,469,400	1,495,600	1,455,600	4,420,600
May 1	1,484,700	1,617,400	1,462,600	4,564,700
— 15	1,457,000	1,459,900	1,439,100	4,356,000
June 1	1,444,400	1,421,300	1,430,000	4,295,700
— 15	1,427,200	1,363,700	1,338,900	4,129,800
July 1	1,320,100	1,404,900	1,405,700	4,130,700
— 15	1,538,800	1,307,500	1,271,200	4,117,500
Aug. 1	1,501,300	1,282,500	1,277,900	4,061,700
— 15	1,494,400	1,280,700	1,276,600	4,051,700
Sept. 1	1,438,100	1,269,100	1,303,000	4,010,200
— 15	1,438,300	1,335,700	1,297,300	4,071,300
Oct. 1	1,349,500	1,444,600	1,461,700	4,255,800
— 15	1,474,900	1,541,600	1,406,000	4,422,500
Nov. 1	1,526,900	1,634,500	1,449,300	4,610,700
— 15	1,516,900	1,676,100	1,384,200	4,577,200
Dec. 1	1,524,800	1,679,800	1,411,000	4,615,600
— 15	1,491,700	1,698,400	1,379,000	4,569,100
Average for 1827	1,460,300	1,491,800	1,411,300	4,363,600
1828:				
Jan. 1	1,390,200	1,730,900	1,464,600	4,585,700
— 15	1,542,000	1,696,800	1,385,700	4,624,500
Feb. 1	1,542,500	1,731,500	1,416,000	4,690,000
— 15	1,527,600	1,732,200	1,396,200	4,656,000
Mar. 1	1,520,700	1,738,200	1,391,500	4,650,400
— 15	1,519,500	1,698,800	1,402,000	4,620,300
April 1	1,375,600	1,720,200	1,486,400	4,582,200
— 15	1,523,300	1,712,400	1,383,800	4,619,500
May 1	1,581,900	1,697,000	1,423,500	4,702,400
— 15	1,607,800	1,655,800	1,412,600	4,676,200
June 1	1,569,200	1,611,300	1,395,400	4,575,900
— 15	1,555,800	1,561,800	1,337,500	4,455,100
July 1	1,400,600	1,583,400	1,416,400	4,400,400
— 15	1,623,400	1,552,800	1,286,500	4,462,700
Aug. 1	1,588,900	1,497,700	1,219,100	4,305,700
— 15	1,552,700	1,470,900	1,189,500	4,213,100
Sept. 1	1,536,900	1,442,800	1,196,700	4,176,400
— 15	1,515,200	1,456,600	1,213,100	4,184,900

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Date.	Large Notes, 5 *l.* & upwards.	Small Notes, under 5 *l.*	Post Bills.	TOTAL, British Currency.
1828:	£.	£.	£.	£.
Oct. 1	1,399,400	1,614,500	1,422,900	4,436,800
— 15	1,572,000	1,725,100	1,442,400	4,739,500
Nov. 1	1,607,400	1,793,800	1,452,300	4,853,500
— 15	1,625,700	1,840,100	1,444,700	4,910,500
Dec. 1	1,642,400	1,898,000	1,438,000	4,978,400
— 15	1,645,600	1,888,800	1,406,600	4,941,000
Average for 1828	1,540,200	1,668,800	1,375,900	4,585,000
1829:				
Jan. 1	1,659,000	1,910,800	1,409,000	4,978,800
— 15	1,663,500	1,921,900	1,385,300	4,970,700
Feb. 1	1,655,300	1,914,900	1,393,100	4,963,300
— 15	1,658,800	1,904,700	1,334,900	4,898,400
Mar. 1	1,649,700	1,862,300	1,321,200	4,833,200
— 15	1,624,500	1,872,200	1,268,200	4,764,900
April 1	1,506,900	1,629,700	1,703,100	4,839,700
— 15	1,646,300	1,495,100	1,675,500	4,816,900
May 1	1,744,500	1,445,600	1,626,100	4,816,200
— 15	1,684,400	1,321,900	1,545,000	4,551,300
June 1	1,632,000	1,235,500	1,474,500	4,342,000
— 15	1,610,000	1,251,100	1,420,900	4,282,000
July 1	1,589,100	1,212,900	1,362,900	4,164,900
— 15	1,657,300	1,206,700	1,303,800	4,167,800
Aug. 1	1,665,100	1,182,600	1,294,500	4,142,200
— 15	1,621,200	1,141,000	1,225,000	3,987,200
Sept. 1	1,576,800	1,093,000	1,219,200	3,889,000
— 15	1,557,500	1,095,900	1,210,900	3,864,300
Oct. 1	1,620,500	1,253,300	1,255,300	4,129,100
— 15	1,557,800	1,336,200	1,277,500	4,171,500
Nov. 1	1,537,000	1,378,500	1,318,700	4,234,200
— 15	1,540,000	1,417,300	1,231,600	4,188,900
Dec. 1	1,547,000	1,454,100	1,214,400	4,215,500
— 15	1,562,900	1,486,500	1,235,300	4,284,700
Average for 1829	1,615,200	1,459,300	1,362,700	4,437,300
1830:				
Jan. 1	1,543,700	1,451,200	1,216,800	4,211,700
— 15	1,604,600	1,532,000	1,220,600	4,357,200
Feb. 1	1,572,500	1,495,600	1,234,300	4,302,400
— 15	1,591,200	1,471,500	1,189,400	4,252,100
Mar. 1	1,566,800	1,464,700	1,216,300	4,247,800
— 15	1,536,800	1,459,000	1,168,400	4,164,200
April 1	1,532,600	1,421,400	1,193,400	4,147,400
— 15	1,590,400	1,426,100	1,189,300	4,205,800
May 1	1,576,000	1,368,000	1,241,600	4,185,600
— 15	1,551,600	1,328,200	1,209,500	4,089,300
June 1	1,553,500	1,323,300	1,180,800	4,057,600
— 15	1,525,200	1,278,500	1,124,700	3,928,400
July 1	1,485,100	1,188,500	1,082,400	3,756,000
— 15	1,562,000	1,216,600	1,082,000	3,860,600
Aug. 1	1,548,300	1,201,600	1,077,600	3,827,500
— 15	1,506,500	1,170,100	1,010,400	3,687,000
Sept. 1	1,449,100	1,131,300	1,038,000	3,618,400
— 15	1,438,200	1,172,900	1,055,600	3,666,700
Oct. 1	1,482,700	1,268,800	1,108,200	3,859,700
— 15	1,593,700	1,421,900	1,197,600	4,213,200
Nov. 1	1,589,200	1,948,800	1,190,000	4,728,000
— 15	1,554,200	1,483,100	1,131,400	4,168,700
Dec. 1	1,529,700	1,469,100	1,088,600	4,087,400
— 15	1,519,800	1,551,900	1,098,700	4,170,400
Average for 1830	1,541,800	1,385,100	1,147,700	4,074,700
1831:				
Jan. 1	1,535,800	1,562,100	1,075,800	4,173,700
— 15	1,574,000	1,572,700	1,089,700	4,236,400
Feb. 1	1,508,900	1,486,400	1,088,900	4,084,200
— 15	1,463,400	1,465,700	1,098,800	4,027,900
Mar. 1	1,452,600	1,472,600	1,087,100	4,012,300
— 15	1,484,600	1,427,900	1,036,100	3,948,600
April 1	1,475,000	1,422,600	1,063,600	3,961,200
— 15	1,461,300	1,397,300	1,038,300	3,896,900
May 1	1,491,900	1,368,100	1,063,000	3,923,000
— 15	1,464,000	1,340,700	1,038,100	3,842,800
June 1	1,439,900	1,281,400	1,001,500	3,722,800
— 15	1,412,800	1,243,000	950,700	3,606,500
July 1	1,429,800	1,182,900	924,700	3,537,400
— 15	1,461,900	1,203,900	943,800	3,609,600
Aug. 1	1,485,200	1,191,300	945,600	3,622,100
— 15	1,454,400	1,154,600	886,900	3,495,900
Sept. 1	1,442,000	1,253,500	923,300	3,618,800
— 15	1,469,200	1,312,200	980,600	3,762,000
Oct. 1	1,478,900	1,425,200	1,045,000	3,949,100
— 15	1,508,300	1,499,300	1,071,000	4,078,600
Nov. 1	1,528,500	1,584,800	1,085,000	4,198,300
— 15	1,557,600	1,559,900	1,059,800	4,177,300
Dec. 1	1,570,300	1,558,900	1,063,400	4,192,600
— 15	1,578,400	1,617,400	1,039,900	4,235,700
Average for 1831	1,488,600	1,399,300	1,025,000	3,913,000
1832:				
Jan. 1	1,563,800	1,632,500	1,028,200	4,224,500
— 15	1,607,300	1,642,700	1,031,800	4,281,800
Feb. 1	1,585,200	1,655,200	1,046,700	4,287,100
— 15	1,571,800	1,615,400	1,029,600	4,216,800
Mar. 1	1,568,300	1,607,700	1,048,300	4,224,300
— 15	1,547,400	1,555,900	1,067,000	4,170,300
April 1	1,544,500	1,580,500	1,057,400	4,182,400
— 15	1,549,900	1,527,200	996,100	4,073,200
May 1	1,775,200	1,544,300	1,077,700	4,197,200
— 15	1,595,900	1,559,400	1,104,700	4,260,000
June 1	1,527,900	1,456,900	1,060,500	4,045,300
— 15	1,488,500	1,432,500	1,009,900	3,930,900
July 1	1,491,800	1,431,100	991,200	3,914,100
— 15	1,545,300	1,433,300	966,400	3,945,000
Aug. 1	1,502,200	1,350,900	970,500	3,823,600
— 15	1,476,300	1,319,400	933,600	3,729,300
Sept. 1	1,467,000	1,343,700	998,000	3,808,700
— 15	1,449,000	1,375,800	995,100	3,819,900
Oct. 1	1,451,300	1,441,600	1,034,200	3,927,100
— 15	1,502,900	1,510,300	1,092,900	4,106,100
Nov. 1	1,535,900	1,594,600	1,095,100	4,225,600
— 15	1,558,400	1,619,900	1,017,500	4,195,800
Dec. 1	1,527,100	1,595,800	1,012,700	4,135,600
— 15	1,594,400	1,646,100	1,030,100	4,270,600
Average for 1832	1,534,400	1,519,600	1,028,900	4,083,100
1833:				
Jan. 1	1,571,700	1,629,400	960,500	4,161,600
— 15	1,650,400	1,623,100	1,043,100	4,316,600
Feb. 1	1,673,800	1,659,100	1,024,100	4,357,000
— 15	1,691,700	1,663,600	1,022,500	4,377,800
Mar. 1	1,642,400	1,633,000	1,049,400	4,324,800
— 15	1,605,300	1,541,000	968,300	4,114,600
April 1	1,589,500	1,514,300	973,300	4,077,100
— 15	1,600,600	1,487,900	973,800	4,062,300
May 1	1,653,300	1,481,900	1,018,000	4,153,200
— 15	1,607,600	1,411,500	977,100	3,996,200
June 1	1,590,800	1,376,000	971,600	3,938,700
— 15	1,589,500	1,361,400	885,000	3,835,900
July 1	1,587,400	1,348,400	886,900	3,822,700
— 15	1,616,300	1,353,000	882,500	3,851,800
Aug. 1	1,591,300	1,279,600	857,600	3,728,500
— 15	1,578,500	1,257,200	806,600	3,642,300
Sept. 1	1,508,100	1,253,100	809,300	3,570,500
— 15	1,527,800	1,278,200	824,400	3,630,400
Oct. 1	1,549,800	1,449,500	971,700	3,971,000
— 15	1,608,800	1,497,400	1,006,200	4,112,400
Nov. 1	1,604,000	1,575,100	986,500	4,165,600
— 15	1,618,900	1,561,100	903,800	4,083,800
Dec. 1	1,586,400	1,535,500	937,700	4,059,600
— 15	1,572,500	1,566,400	903,600	4,042,500
Average for 1833	1,600,600	1,472,300	943,400	4,016,500

Date.	Large Notes, 5*l.* & upwards.	Small Notes, under 5*l.*	Post Bills.	TOTAL, British Currency.
1834:	£.	£.	£.	£.
Jan. 1	1,537,800	1,540,600	900,600	3,979,000
— 15	1,583,200	1,538,200	911,700	4,033,100
Feb. 1	1,586,900	1,513,500	925,800	4,026,200
— 15	1,571,500	1,525,100	914,700	4,011,300
Mar. 1	1,543,200	1,474,400	965,600	3,983,200
— 15	1,570,100	1,505,300	934,900	4,010,300
April 1	1,562,000	1,427,600	925,700	3,915,300
— 15	1,611,300	1,436,400	905,100	3,952,800
May 1	1,632,500	1,415,600	923,000	3,971,100
— 15	1,642,200	1,377,500	912,200	3,931,900
June 1	1,643,200	1,339,100	911,800	3,894,100
— 15	1,609,500	1,286,600	837,100	3,733,200
July 1	1,641,700	1,227,200	798,500	3,667,400
— 15	1,662,900	1,218,900	794,400	3,676,200
Aug. 1	1,623,300	1,142,000	788,600	3,553,900
— 15	1,597,900	1,144,100	755,800	3,497,800
Sept. 1	1,572,500	1,138,600	780,900	3,492,000
— 15	1,531,600	1,188,400	769,600	3,489,600
Oct. 1	1,695,800	1,277,000	831,600	3,704,400
— 15	1,658,700	1,369,300	856,300	3,884,300
Nov. 1	1,650,800	1,378,500	859,800	3,889,100
— 15	1,674,800	1,400,700	838,100	3,913,600
Dec. 1	1,646,800	1,399,600	838,900	3,885,300
— 15	1,652,200	1,456,400	825,400	3,934,000
Average for 1834	1,608,400	1,363,300	862,700	3,834,500
1835:				
Jan. 1	1,609,000	1,390,600	788,900	3,788,500
— 15	1,630,500	1,388,900	853,800	3,873,200
Feb. 1	1,655,000	1,380,100	883,600	3,918,700
— 15	1,682,000	1,361,400	874,100	3,917,500
Mar. 1	1,732,700	1,336,900	847,500	3,917,100
— 15	1,711,100	1,322,400	821,000	3,854,500
April 1	1,650,400	1,342,700	821,400	3,814,500
— 15	1,675,400	1,301,600	791,600	3,768,600
May 1	1,674,600	1,283,100	824,700	3,782,400
— 15	1,671,000	1,257,500	816,700	3,745,200
June 1	1,612,900	1,218,900	773,800	3,605,600
— 15	1,581,000	1,204,700	737,800	3,523,500
July 1	1,635,100	1,121,900	691,300	3,448,300
July 15	1,636,700	1,180,800	742,000	3,559,500
Aug. 1	1,607,500	1,194,900	711,800	3,514,200
— 15	1,552,300	1,085,500	648,300	3,286,100
Sept. 1	1,578,200	1,234,800	735,900	3,548,900
— 15	1,520,900	1,078,700	643,900	3,243,500
Oct. 1	1,527,000	1,154,700	709,400	3,391,100
— 15	1,572,200	1,181,800	772,700	3,526,700
Nov. 1	1,625,300	1,237,000	737,700	3,600,000
— 15	1,594,300	1,211,000	710,400	3,515,700
Dec. 1	1,590,800	1,238,000	694,300	3,523,100
— 15	1,636,600	1,288,200	695,600	3,620,400
Average for 1835	1,623,400	1,249,800	763,600	3,636,900
1836:				
Jan. 1	1,613,200	1,171,500	670,400	3,455,100
— 15	1,655,900	1,187,100	668,200	3,511,200
Feb. 1	1,650,400	1,181,200	674,500	3,506,100
— 15	1,651,900	1,166,700	666,300	3,484,900
Mar. 1	1,692,400	1,177,700	702,400	3,572,500
— 15	1,694,700	1,108,500	665,400	3,468,600
April 1	1,688,500	1,136,400	673,100	3,498,000
— 15	1,680,100	1,121,200	704,400	3,505,700
May 1	1,752,700	1,128,400	733,200	3,614,300
— 15	1,796,600	1,103,500	754,100	3,654,200
June 1	1,755,700	1,034,100	691,000	3,480,800
— 15	1,659,200	1,042,500	635,900	3,337,600
July 1	1,691,500	1,015,800	609,400	3,316,700
— 15	1,766,000	980,900	611,400	3,358,300
Aug. 1	1,743,900	920,700	574,900	3,239,500
— 15	1,701,000	882,500	551,000	3,134,500
Sept. 1	1,673,400	861,400	573,700	3,108,500
— 15	1,670,200	936,700	554,500	3,161,400
Oct. 1	1,665,900	982,800	573,200	3,221,900
— 15	1,713,500	1,047,000	581,300	3,341,800
Nov. 1	1,723,400	1,137,100	581,300	3,441,800
— 15	1,813,600	1,255,400	588,900	3,657,900
Dec. 1	1,778,500	1,229,300	606,300	3,614,100
— 15	1,773,700	1,291,400	553,200	3,618,300
Average for 1836	1,708,500	1,087,400	633,200	3,429,300

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 4. —

AN ACCOUNT showing the Average Amount of the CIRCULATION of the BANK of IRELAND for each Year from 1808 to 1836, divided into Large Notes, Small Notes, and Post Bills.

N.B.—All Amounts from 1808 to 1825 inclusive are stated in Irish Currency; subsequently, British.

Year.	Average Amount of Large Notes.	Average Amount of Small Notes.	Average Amount of Post Bills.	Total Average Amount of Circulation.
	£.	£.	£.	£.
1808	1,192,600	869,000	765,300	2,827,000
1809	1,268,700	911,700	887,600	3,068,100
1810	1,441,200	804,400	911,600	3,157,300
1811	1,644,500	896,400	960,000	3,501,000
1812	1,688,000	1,015,200	1,087,800	3,791,100
1813	1,690,800	1,397,900	1,123,800	4,212,600
1814	1,823,700	1,364,900	1,230,200	4,418,900
1815	1,778,300	1,332,500	1,193,200	4,304,000
1816	1,760,800	1,225,000	1,205,100	4,191,000
1817	1,873,100	1,140,000	1,377,700	4,390,800
1818	1,937,800	1,146,100	1,348,400	4,432,400
1819	1,835,700	1,209,700	1,250,500	4,297,000
1820	1,685,500	1,322,800	1,233,300	4,241,700
1821	1,856,500	1,583,200	1,742,900	5,182,600
1822	1,929,400	1,397,300	1,796,000	5,122,800
1823	1,827,700	1,383,600	1,859,100	5,070,500
1824	1,938,200	1,450,600	2,190,800	5,579,700
1825	1,969,300	1,677,500	2,662,500	6,309,300
1826	1,502,700	2,644,200	1,758,000	4,905,000
1827	1,460,300	1,491,800	1,411,300	4,363,600
1828	1,540,200	1,668,800	1,375,900	4,585,000
1829	1,615,200	1,459,300	1,362,700	4,437,300
1830	1,541,800	1,385,100	1,147,700	4,074,700
1831	1,488,600	1,399,300	1,025,000	3,913,000
1832	1,534,400	1,519,600	1,028,900	4,083,100
1833	1,600,600	1,472,300	943,400	4,016,500
1834	1,608,400	1,363,300	862,700	3,834,500
1835	1,623,400	1,249,800	763,600	3,636,900
1836	1,708,500	1,087,400	633,200	3,429,300

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— III. —
Accounts relating to the Bank of Ireland.

— No. 5. —

No. 5.
Salaries, &c. paid to Servants.

AN ACCOUNT of the Total Amount of SALARIES, GRATUITIES and PAYMENTS for extra Attendance paid to the Servants of the BANK of IRELAND in *Dublin*, and at the Bank Agencies; and of the Number of Persons to whom the said Amount was paid, for the Year ending 30th June 1836.

		£.	£.
217	Clerks and porters in Dublin	31,485	
27	Engravers, printers and servants in printing-office	2,780	
121	Agents, clerks, and porters, at 22 agencies	17,178	
365	Average for each 141 *l.* per annum.		51,443
11	Pensions paid in the same period		1,198
	Pensioners, average 109 *l.* per annum.		
		£.	52,641

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— No. 6. —

No. 6.
Expense of conducting Funded Debt.

AN ACCOUNT of the Expense of conducting the Business of the FUNDED DEBT in *Ireland*, for One Year, ending 30th June 1836, as nearly as same can be ascertained.

Estimated Expense of conducting the Business of the National Debt in Ireland - - £. 15,770.

Number of Clerks.	*Viz.*	£.
24	Transfer and Dividend offices	2,750
4	Chief Cashier's office	772
2	Secretary's office	300
2	Accountant General's office	350
3	Examiner's office	646
4	Book-keeper's office	530
3	Porters	135
	Additional assistance during the shuttings, &c.	400
	Pensions on Transfer office establishment	460
	Contingent and house expenses, including fuel, lights, stationery, law costs, taxes, repairs, &c.	1,733
	Total costs 8,666 *l.*, say one-fifth on this account.	
	Salaries to directors 5,077 *l.*, say one-fifth on this account	1,015
	Rent 8,000 *l.*, say one-fifth on this account	1,600
		10,691
	Deduct estimated expense of Bank stock transfers and dividends, included in above	521
		10,170
	Additional Expenses:	
	Annuity to former debenture clerk at Treasury	80
	Lost by frauds and forgeries on Government stock transfers	5,520
42	£.	15,770

N. B.—The number of Government stock transfers in 1836 was 29,500 *l.*

The number of Bank stock transfers - - - - 1,050 *l.*

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— III. —
Accounts relating to the Bank of Ireland.

— No. 7. —

No. 7.
Expense of Public Business.

AN ACCOUNT of the Expense of conducting a variety of PUBLIC BUSINESS, and of managing the PUBLIC ACCOUNTS (exclusive of the Funded Debt), in the BANK of IRELAND, for One Year, ending 30th June 1836, as nearly as same can be ascertained.

Estimated Expense of transacting Government Business and managing Public Accounts, exclusive of the Funds - - - - - £. 7,430.

Number of Clerks.	*Viz.*	£.
2	Secretary's office - - - - - - - - - -	400
3	Accountant General's office - - - - - - - - -	450
5	Cashier's - - - - ditto - - - - - - - -	850
5	Book-keeper's - - ditto - - - - - - - - -	750
2	Examiner's - - - ditto - - - - - - - - -	350
2	Sundry offices - - - - - - - - - - - -	300
2	Porters - - - - - - - - - - - - -	90
	Contingent and house expenses, including fuel, lights, stationery, law costs, taxes, repairs, &c. - - - - - - - - - Total cost 8,666 *l.*, say one-tenth on this account.	866
	Salaries to directors 5,077 *l.*, say one-tenth on this account - - -	507
	Rent 8,000 *l.*, say one-tenth on this account - - - - - -	800
	Additional Expense :	5,363
	Compensation to law officers for removal of public balances to the Bank, per Act 23 & 24 Geo. 3, c. 22, paid annually to the Treasury - -	2,067
21	£.	7,430

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 8. —

No. 8.
Circulation of Bank of Ireland Notes, &c.

AN ACCOUNT of the Expense attending the CIRCULATION of BANK of IRELAND NOTES and POST BILLS, both at *Dublin* and the Bank Agencies, for the Year ending 30th June 1836, exclusive of Stamp-duty, as nearly as the same can be made out.

Estimated Expense of Bank Circulation 1836 - - - - - £. 28,015.

Number of Clerks.	*Viz.*	£.
2	Secretary's office - - - - - - - - - -	350
2	Accountant General's office - - - - - - - - -	320
15	Chief Cashier's - - ditto - - - - - - - -	3,080
4	Book-keeper's - - ditto - - - - - - - -	530
5	Examiner's - - - ditto - - - - - - - -	760
21	Note Ledger - - ditto - - - - - - - -	2,680
6	Note Signature - - ditto - - - - - - - -	810
4	Post Bill - - - - ditto - - - - - - - -	620
6	Cancelled Note - - ditto - - - - - - - -	740
5	Porters - - - - - - - - - - - -	225
41	At 22 bank agencies, the business connected with the circulation at agents' offices being estimated as one-third of the entire, say one-third salaries, 17,178 *l.* - - - - - - - - - -	5,726
	And one-third of rent and contingencies, 6,772 *l.* - - - -	2,257
27	Engravers and printers, &c. in printing-office - - - - -	2,780
	Cost of bank-note paper and other materials in ditto - - - -	1,396
	Rent 8,000 *l.*, say one-third on this account - - - - - -	2,666
	Salaries to directors 5,077 *l.*, say one-third on this account - - -	1,692
	One-eighth part of contingent expenses in Dublin - - - - -	1,083
	A portion of the contingent expenses of printing-office is included in the charge of 1,396 *l.* above.	
		27,715
	Pensioners - - - - - - - - - - - - -	300
138	£.	28,015

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

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— III. —
Accounts relating to the Bank of Ireland.

— No. 9. —

No. 9.
Expense of General Banking Business.

AN ACCOUNT of the Expenses of conducting the General Banking Business of the Bank of Ireland at *Dublin*, and at the Bank Agencies, for the Year ending 30 June 1836, as nearly as same can be made out.

Estimated Expenses of transacting the General Banking Business of the Bank of Ireland, £. 39,004.

Number of Clerks.	*Viz.*	£.
14	Secretary's office, including agents Dublin office	2,389
4	Accountant General's office	614
14	Chief cashier's - ditto	2,429
13	Book-keeper's - ditto	1,995
7	Discount - - ditto	1,150
3	Examiners - - ditto	525
8	Drawing - - ditto	1,120
1	Account-book - ditto	175
12	Runners	1,485
1	Stationery - - ditto	100
7	Porters	315
	Proportion of contingencies in Dublin, including fuel, lights, stationery, law costs, taxes, repairs, &c.	4,984
	Proportion of directors' salaries	1,863
	Proportion of rent	2,934
	Pensioners	438
	Cost of management of Bank stock	521
	Two-thirds of total rent and contingent expenses at agencies, say two-thirds of 6,772 *l.* £. 4,515	
80	Two-thirds of salaries at agencies, say two-thirds of 17,178 *l.* 11,452	
		15,967
164	£.	39,004

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

— No. 10. —

No. 10.
Expense of Bank of Ireland.

AN ACCOUNT of the Expenses of the Bank of Ireland for the Year ending 30th June 1836, divided under several heads, as nearly as same can be made out.

Dr	£.	Cr	£.
Government funds department -	15,770	Salaries and pensions - - -	52,641
		Contingent expenses Dublin - -	8,666
Government business and public accounts - - - -	7,430	Rent, Dublin - - - -	8,000
		Rent and contingencies at agencies	6,772
		Salaries to directors - - -	5,077
Bank-notes - - - -	28,015	Bank-note paper and contingent expenses in printing-office - -	1,396
Banking department in Dublin -	23,037	Annual payment to Government -	2,067
		Ditto - to a Government officer	80
Ditto - - - at agencies -	15,967	Lost by fraudulent transfers of Government stock - - -	5,520
£.	90,219	£.	90,219

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

— No. 11. —

No. 11.
Composition for Stamp Duty.

AN ACCOUNT of the Amount paid annually by the Bank of Ireland, as an Exemption from Stamping their Notes and Post Bills.

£. 13,846. 3. 1.

The Bank of Ireland has paid 15,000 *l.* late Irish currency, say 13,846 *l.* 3 *s.* 1 *d.* British, each year since 1816, as a composition for stamp-duty on their notes and post bills.

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

— III. —
Accounts relating to the Bank of Ireland.

— No. 12. —

No. 12.
Net Annual Profit.

AN ACCOUNT of the Amounts of Net Annual PROFIT of the BANK of IRELAND, in the Years ending 30th June 1833, 1834, 1835 and 1836, out of which Interest is to be paid on the Capital Stock.

	£.
1833	251,826
1834	250,502
1835	241,183
1836	245,360

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— No. 13. —

No. 13.
Expenses of the Bank of Ireland.

AN ACCOUNT of the TOTAL EXPENSES of the BANK of IRELAND for Four Years, ending June 1836, exclusive of Dividends on Bank Stock, Amounts paid for Stamp-duty, and Losses sustained by Frauds and Forgeries on Transfers of Government Stock.

	£.
1833	111,540
1834	111,901
1835	114,218
1836	104,490

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— No. 14. —

No. 14.
Profits of the Bank of Ireland.

AN ACCOUNT of the PROFITS of the BANK of IRELAND, Year ending 30th June 1836, stating the Description of Securities held by the Bank, and the Sources from which the said Profits have arisen.

	£.
Interest on bills discounted	111,423
Interest on Exchequer bills	71,335
Interest on Government stock	19,377
Interest on Government terminable annuities	36,940
Interest on loans and advances	4,684
Interest on capital received from Government	115,384
Sundries received for commission, fees on Bank stock transfers, surplus of fund provided for costs of buildings at agencies, &c. &c.	10,077
£.	369,220

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— No. 15. —

No. 15.
Distributions amongst Proprietors of Bank Stock.

AN ACCOUNT of all DISTRIBUTIONS made by the BANK of IRELAND amongst the Proprietors of Bank Stock, including Dividends, Bonus and Increase of Capital from 1783 to 1836.

(All Amounts to January 1826 Irish Currency; subsequently British.)

—	CAPITAL.	Annual Amount of Dividend.	Rate per Cent. per Annum of Dividend.	Bonuses.	Rate per Cent. of Bonuses.	—
	£. (Irish Currency.)	£.	£.			
1783	600,000	½ yr. 15,000	5 p'cent.			
1784	600,000	30,000	5 –			
1785	600,000	34,500	5¾ –			
1786	600,000	36,000	6 –			
1787	600,000	36,000	6 –			
1788	600,000	36,000	6 –			

— III. —
Accounts relating to the Bank of Ireland.

No. 15.
Distributions amongst Proprietors of Bank Stock.

	CAPITAL.	Annual Amount of Dividend.	Rate per Cent. per Annum of Dividend.	Bonuses.	Rate per Cent. of Bonuses.	
	£. (Irish Currency.)	£.	£.	£.		
1789 -	600,000	36,000	6 p' cent.			
1790 -	600,000	36,000	6 –			
1791 -	600,000	33,000	5½ –			
1792	600,000	⅓ yr. 16,500	2¾ –			
	840,000	½ yr. 22,050	2⅝ –			
1793	840,000	⅓ yr. 22,050	2⅝ –			
	1,000,000	½ yr. 26,250	2⅝ –			
1794 -	1,000,000	55,000	5½ –			
1795 -	1,000,000	60,000	6 –			
1796 -	1,000,000	65,000	6½ –			
1797	1,000,000	½ yr. 32,500	3¼ –	125,000	25 per cent. on increase.	
	1,500,000	½ yr. 48,750	3¼ –			
1798 -	1,500,000	97,500	6½ –			
1799 -	1,500,000	97,500	6½ –			
1800 -	1,500,000	105,000	7 –			
1801 -	1,500,000	108,750	7¼ –			
1802 -	1,500,000	112,500	7½ –			
1803 -	1,500,000	112,500	7½ –	75,000	5 per cent. on capital.	
1804 -	1,500,000	112,500	7½ –			
1805 -	1,500,000	112,500	7½ –	75,000	5 per cent.	
1806 -	1,500,000	112,500	7½ –	37,500	2½ –	
1807 -	1,500,000	112,500	7½ –	37,500	2½ –	
1808 -	1,500,000	112,500	7½ –	- - -	- - -	- - 250,000 *l.* paid as premium on additional stock by proprietors, being 25 per cent. on increase.
1809 -	2,500,000	187,500	7½ –	62,500	2½ per cent.	
1810 -	2,500,000	187,500	7½ –	62,500	2½ –	
1811 -	2,500,000	187,500	7½ –	62,500	2⅜ –	
1812 -	2,500,000	187,500	7½ –	62,500	2½ –	
1813 -	2,500,000	187,500	7½ –	62,500	2½ –	
1814 -	2,500,000	187,500	7½ –	62,500	2½ –	
1815 -	2,500,000	250,000	10 –			
1816 -	2,500,000	250,000	10 –			
1817 -	2,500,000	250,000	10 –			
1818 -	2,500,000	250,000	10 –			
1819 -	2,500,000	250,000	10 –			
1820 -	2,500,000	250,000	10 –			
1821	2,500,000	½ yr. 125,000	5 – ½ yr.	500,000	20 per cent. increase of capital.	
	3,000,000	½ yr. 150,000	5 – ½ yr.			
1822 -	3,000,000	300,000	10 –			
1823 -	3,000,000	300,000	10 –			
1824 -	3,000,000	300,000	10 –			
1825 -	3,000,000	300,000	10 –			
	(British Currency.)					
1826 -	2,769,230	276,923	10 –			
1827 -	2,769,230	276,923	10 –			
1828 -	2,769,230	276,923	10 –			
1829 -	2,769,230	276,923	10 –			
1830 -	2,769,230	249,230	9 –			
1831 -	2,769,230	249,230	9 –			
1832 -	2,769,230	249,230	9 –			
1833 -	2,769,230	249,230	9 –			
1834 -	2,769,230	249,230	9 –			
1835 -	2,769,230	249,230	9 –			
1836 -	2,769,230	235,384	8½ –			

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— No. 16. —

No. 16.
Variations in Amount of Capital.

AN ACCOUNT of the VARIATIONS which have taken place in the Amount of the CAPITAL of the BANK of IRELAND at different Periods.

	£.	
1782: Original subscription - - - -	600,000	Irish.
1791: Addition - - - - - -	400,000	–
1797: Addition - - - - - -	500,000	–
1808: Addition - - - - - -	1,000,000	–
1821: Addition - - - - - -	500,000	–
	3,000,000	late Irish currency.

£. 2,769,230. 15 *s.* 5 *d.* British.

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— III. —
Accounts relating to the Bank of Ireland.

No. 17.
Profit and Loss for Four Years.

— No. 17. —

AN ACCOUNT showing the PROFIT and Loss of the BANK OF IRELAND for Four Years, ending 30th June 1836.

Bank of Ireland, 30th June 1833.

Dr	£.	Cr	£.
To dividends to proprietors - -	249,230	By interest on loans and discount on bills - - - - -	137,203
To paid for stamp-duty - - -	13,846	By interest on Government securities - - - - -	129,283
To all other expenses, including losses, &c. - - - - -	117,824	By interest on capital from Government - - - -	115,384
To balance to credit of Surplus Fund - - - - - -	2,596	By sundries - - - -	1,626
£.	383,496	£.	383,496

	£.
Surplus Fund, June 1832 - - - -	1,049,573
Add increase, June 1833 - - - -	2,596
Surplus Fund, June 1833 - - - £.	1,052,169

Bank of Ireland, 30th June 1834.

Dr	£.	Cr	£.
To dividends to proprietors - -	249,230	By interest on loans and discount on bills - - - - -	129,235
To paid for stamp-duty - -	13,846	By interest on Government securities - - - - -	130,581
To all other expenses, including losses, &c. - - - - -	111,901	By interest on capital from Government - - - -	115,384
To balance to credit of Surplus Fund - - - - - -	1,272	By sundries - - - -	1,049
£.	376,249	£.	376,249

	£.
Surplus Fund, June 1833 - - - -	1,052,169
Add increase, June 1834 - - - -	1,272
Surplus Fund, June 1834 - - - £.	1,053,441

Bank of Ireland, 30th June 1835.

Dr	£.	Cr	£.
To dividends to proprietors - -	249,230	By interest on loans and discount on bills - - - - -	119,997
To paid for stamp-duty - -	13,846	By interest on Government securities - - - - -	133,224
To all other expenses, including losses, &c. - - - - -	114,218	By interest on capital from Government - - - -	115,384
		By sundries - - - -	642
		By balance from Surplus Fund -	8,047
£.	377,294	£.	377,294

	£.
Surplus Fund, June 1834 - - - -	1,053,441
Deduct decrease, June 1835 - - - -	8,047
Surplus Fund, June 1835 - - - £.	1,045,394

Bank of Ireland, 30th June 1836.

No. 17. Profit and Loss for Four Years.

Dr	£.	Cr	£.
To dividends to proprietors - -	249,230	By interest on loans and discount on bills - - - - -	116,107
To paid for stamp-duty - - -	13,846	By interest on Government securities - - - - -	127,652
To all other expenses, including losses, &c. - - - -	110,014	By interest on capital from Government - - - -	115,384
		By sundries - - - -	10,077
		By balance from Surplus Fund -	3,870
£.	373,090	£.	373,090

	£.
Surplus Fund, June 1835 - - - -	1,045,394
Deduct decrease, June 1836 - - -	3,870
Surplus Fund, June 1836 - - - £.	1,041,524

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 18. —

AN ACCOUNT showing the Profit and Loss of the Bank of Ireland, for the Half Year ending 31st December 1836.

No. 18. Profit and Loss for Half Year ending Dec. 1836.

The Bank of Ireland, 31st December 1836.

Dr	£.	Cr	£.
To dividends to proprietors - -	110,769	By interest on loans and discount on bills - - - - -	62,380
To paid for stamp-duty - -	6,923	By interest on Government securities - - - - -	58,221
To all other expenses, including losses, &c. - - - - -	49,523	By interest on capital from Government - - - -	57,692
To balance to credit of Surplus Fund - - - - - -	11,588	By sundries - - - -	510
£.	178,803	£.	178,803

	£.
Surplus Fund, June 1836 - - - -	1,041,524
Add increase, December 1836 - -	11,588
Surplus Fund, December 1836 - £.	1,053,112

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 19. —

A General Statement of the Assets and Liabilities of the Bank of Ireland on 31st December 1836.

No. 19. Assets and Liabilities, 1836.

[This Account has not been received.]

— No. 20. —

AN ACCOUNT of the Average Aggregate Amount of all PUBLIC MONIES in the Hands of the BANK OF IRELAND each Year, from 1808 to 1836 inclusive; distinguishing the United Balances to Credit of Treasury and of Suitors in Chancery and Exchequer.

(All amounts up to 1825 inclusive, Irish Currency; subsequently British.)

	(*Irish Currency.*)	£.	£.
1808	Treasury, Chancery and Exchequer.	607,600	
	All other public monies -	288,000	
			895,600
1809	Treasury, Chancery and Exchequer.	1,344,700	
	All other public monies -	347,600	
			1,692,300
1810	Treasury, Chancery and Exchequer.	859,900	
	All other public monies -	336,200	
			1,196,100
1811	Treasury, Chancery and Exchequer.	662,100	
	All other public monies -	486,200	
			1,148,300
1812	Treasury, Chancery and Exchequer.	1,142,100	
	All other public monies -	432,200	
			1,574,300
1813	Treasury, Chancery and Exchequer.	1,188,000	
	All other public monies -	435,200	
			1,623,200
1814	Treasury, Chancery and Exchequer.	1,511,200	
	All other public monies -	509,900	
			2,021,100
1815	Treasury, Chancery and Exchequer.	1,504,100	
	All other public monies -	502,000	
			2,006,100
1816	Treasury, Chancery and Exchequer.	900,300	
	All other public monies -	542,800	
			1,443,100
1817	Treasury, Chancery and Exchequer.	389,400	
	All other public monies -	382,700	
			772,100
1818	Treasury, Chancery and Exchequer.	623,300	
	All other public monies -	417,400	
			1,040,700
1819	Treasury, Chancery and Exchequer.	582,200	
	All other public monies -	339,600	
			921,800
1820	Treasury, Chancery and Exchequer.	349,900	
	All other public monies -	310,600	
			660,500
1821	Treasury, Chancery and Exchequer.	453,400	
	All other public monies -	323,400	
			776,800
1822	Treasury, Chancery and Exchequer.	454,900	
	All other public monies -	300,200	
			755,100
1823	Treasury, Chancery and Exchequer.	540,400	
	All other public monies -	289,100	
			829,500
1824	Treasury, Chancery and Exchequer.	894,100	
	All other public monies -	328,400	
			1,222,500
1825	Treasury, Chancery and Exchequer.	891,300	
	All other public monies -	317,100	
			1,208,400
	(*British Currency.*)		
1826	Treasury, Chancery and Exchequer.	580,900	
	All other public monies -	304,400	
			885,300
1827	Treasury, Chancery and Exchequer.	801,300	
	All other public monies -	322,000	
			1,123,300
1828	Treasury, Chancery and Exchequer.	1,091,200	
	All other public monies -	335,100	
			1,426,300
1829	Treasury, Chancery and Exchequer.	1,302,300	
	All other public monies -	318,300	
			1,620,600
1830	Treasury, Chancery and Exchequer.	1,343,600	
	All other public monies -	346,300	
			1,689,900
1831	Treasury, Chancery and Exchequer.	1,155,600	
	All other public monies -	331,000	
			1,486,600
1832	Treasury, Chancery and Exchequer.	1,186,200	
	All other public monies -	348,300	
			1,534,500
1833	Treasury, Chancery and Exchequer.	1,012,800	
	All other public accounts -	349,900	
			1,362,700
1834	Treasury, Chancery and Exchequer.	1,110,700	
	All other public accounts -	384,900	
			1,495,600
1835	Treasury, Chancery and Exchequer.	941,100	
	All other public accounts -	410,400	
			1,351,500
1836	Treasury, Chancery and Exchequer.	755,300	
	All other public accounts -	450,300	
			1,205,600

Note.—Under the head of Public Monies are included unclaimed and unpaid dividends on Government stock, and balances to credit of all Public Boards and Officers in any way connected with or receiving Grants from Government, including about 100 accounts.

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— III. —
Accounts relating to the Bank of Ireland.

— No. 21. —

No. 21. Private Deposits in the Bank.

AN ACCOUNT of the Average Aggregate Amount of all PRIVATE DEPOSITS in the Hands of the BANK OF IRELAND, from the Year 1808 to 1836 inclusive, distinguishing each Year.

(All amounts up to 1825 inclusive, Irish Currency; subsequently British.)

	£. Irish Currency.		£. Irish Currency.		£. British Currency.
1808	442,700	1817	646,600	1826	943,400
1809	474,400	1818	612,100	1827	1,142,200
1810	485,600	1819	602,300	1828	1,347,700
1811	438,300	1820	520,400	1829	1,324,200
1812	470,100	1821	752,600	1830	1,432,900
1813	537,400	1822	825,700	1831	1,430,200
1814	540,500	1823	787,400	1832	1,492,900
1815	523,800	1824	939,600	1833	1,662,500
1816	566,400	1825	1,008,400	1834	1,550,900
				1835	1,547,900
				1836	1,476,000

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 22. —

No. 22. Bills under Discount from 1808 to 1836.

AN ACCOUNT of the Average Amount of all BILLS under Discount by the BANK OF IRELAND, each Year, from 1808 to 1836 inclusive, ending 31st December.

(All amounts up to 1825 inclusive, Irish Currency; subsequently British.)

	£. Irish Currency.		£. Irish Currency.		£. British Currency.
1808	2,978,900	1817	1,623,100	1826	3,246,900
1809	3,608,100	1818	1,561,000	1827	2,956,600
1810	3,113,500	1819	1,864,200	1828	3,380,300
1811	2,734,200	1820	1,821,900	1829	3,364,900
1812	3,244,400	1821	932,000	1830	3,146,500
1813	3,232,400	1822	823,200	1831	3,019,600
1814	3,543,800	1823	1,063,100	1832	2,691,800
1815	3,032,900	1824	1,268,500	1833	2,578,400
1816	2,388,900	1825	2,513,000	1834	2,565,600
				1835	2,502,800
				1836	2,649,500

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 23. —

AN ACCOUNT of the Monthly Amount of BILLS and NOTES under Discount by the BANK OF IRELAND, from the Year 1826 to 1836 inclusive.

YEAR.	January.	February.	March.	April.	May.	June.	July.
	£.	£.	£.	£.	£.	£.	£.
1826	3,444,000	3,320,478	3,577,608	3,485,660	3,370,402	3,145,973	2,975,281
1827	3,122,288	3,035,455	2,868,019	2,771,070	2,690,262	2,649,126	2,659,171
1828	3,307,428	3,358,152	3,275,528	3,196,679	3,220,714	3,166,476	3,038,343
1829	3,682,483	3,650,269	3,548,515	3,447,747	3,248,316	3,123,163	3,081,963
1830	3,389,936	3,297,347	3,197,965	3,144,641	2,960,054	2,825,978	2,717,072
1831	3,709,208	3,409,865	3,182,441	2,939,983	2,816,574	2,688,273	2,575,589
1832	3,168,925	3,019,358	2,871,516	2,730,586	2,511,898	2,421,280	2,260,247
1833	2,858,939	2,795,878	2,669,776	2,568,082	2,352,737	2,202,231	2,172,916
1834	2,845,964	2,795,359	2,708,824	2,521,732	2,333,494	2,258,208	2,156,496
1835	2,870,305	2,736,604	2,678,995	2,512,387	2,407,761	2,300,766	2,182,085
1836	2,566,519	2,581,597	2,609,951	2,613,325	2,708,941	2,584,110	2,350,956

(*continued*)

August.	September.	October.	November.	December.	TOTAL.	Average.	YEAR.
£.	£.	£.	£.	£.	£.	£.	
2,907,847	3,073,758	3,232,679	3,224,059	3,204,894	38,962,639	3,246,886	- - 1826
2,765,576	3,018,978	3,252,132	3,353,316	3,293,724	35,479,117	2,956,593	- - 1827
3,038,688	3,194,572	3,851,318	3,994,394	3,921,004	40,563,296	3,380,274	- - 1828
2,983,208	3,123,787	3,410,492	3,492,635	3,586,180	40,378,758	3,364,896	- - 1829
2,709,577	2,896,550	3,288,978	3,547,203	3,782,507	37,757,808	3,146,484	- - 1830
2,511,373	2,916,032	3,122,338	3,218,481	3,145,003	36,235,160	3,019,596	- - 1831
2,216,091	2,526,682	2,754,286	2,872,629	2,947,997	32,301,495	2,691,791	- - 1832
2,194,323	2,382,464	2,810,269	2,932,390	3,000,878	30,940,883	2,578,406	- - 1833
2,144,934	2,370,124	2,777,868	2,960,229	2,913,693	30,786,925	2,565,577	- - 1834
2,160,958	2,352,140	2,578,023	2,607,298	2,645,721	30,033,043	2,502,753	- - 1835
2,318,213	2,614,633	2,800,493	3,132,706	2,912,134	31,793,578	2,649,464	- - 1836

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

— No. 24. —

No. 24. Dublin, English and Scotch Bills discounted in 1835.

AN ACCOUNT showing the Total Amount of DUBLIN, ENGLISH and SCOTCH BILLS Discounted in Dublin by the BANK OF IRELAND, during the Year 1835; also a Monthly Average of same.

	Dublin Bills.	English Bills.	Scotch Bills.	TOTAL.
	£.	£.	£.	£.
	4,302,089	708,590	41,922	5,052,601
Average per Month - £.	358,507	59,049	3,493	421,050

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

— No. 25. —

No. 25. Dublin, English and Scotch Bills discounted in 1836.

AN ACCOUNT of the Total Amount of DUBLIN, ENGLISH and SCOTCH BILLS Discounted in Dublin by the BANK OF IRELAND, during the Year 1836; also a Monthly Average of same.

	Dublin Bills.	English Bills.	Scotch Bills.	TOTAL.
	£.	£.	£.	£.
	4,078,554	1,319,855	84,852	5,483,261
Average per Month - £.	339,879	109,987	7,071	456,938

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

— No. 26. —

No. 26. Loss by Bad Debts from 1783 to 1836.

AN ACCOUNT of the Annual Average Loss by BAD DEBTS on the DISCOUNTS of the BANK OF IRELAND in Dublin, from 1783 to 1836 inclusive.

TOTAL Loss from December 1783 to December 1836 - - - - - £. 338,500.

Fifty-three years average, 6,387 *l.* per annum.

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

— No. 27. —

No. 27. Loss from Frauds and Forgeries in the last Ten Years.

AN ACCOUNT of the Average Loss to the BANK OF IRELAND from FRAUDS and FORGERIES in the Government Funds, during the last Ten Years.

AVERAGE Loss by Frauds and Forgeries in the Government Funds, during the last 10 years, £. 1,157 per annum.

Bank of Ireland,
1 March 1837.

R. Culley, Accountant General.

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— III. —
Accounts relating to the Bank of Ireland.

— No. 28. —

AN ACCOUNT of Forgeries of the Bank of Ireland Notes discovered to be Forged, by Presentation for Payment, or otherwise, during the last Four Years.

No. 28. Forgeries discovered during the last Four Years.

YEARS.	£. 1.	£. 1. 10 s.	£. 3.	£. 5.	£. 10.	Above £. 10.
1833 - - -	114	22	None.	None.	- -	None.
1834 - - -	51	44	—	—	1	—
1835 - - -	61	72	—	—	—	—
1836 - - -	67	165	—	—	—	—
£.	293	303	- -	- -	1	—

Total - - 597 Notes. Nominal value - - £. 757. 10 s.

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— No. 29. —

AN ACCOUNT of the Average Yearly Amounts of Bank of Ireland Notes and Post Bills in Circulation, of the Deposits, Public and Private, of the Investments in Securities, and of the Gold and Silver Coin, held by the Bank of Ireland, in the Years ending 31st December 1832, 1833, 1834, 1835, 1836.

No. 29. Bank of Ireland Notes and Post Bills in circulation.

	£.		£.
Average circulation - - -	4,083,100	Investments in securities - -	7,193,300
Deposits, public and private -	3,027,400	Gold and silver coin - - -	1,197,700
Year ending 31 Dec. 1832 -	7,110,500		8,391,000
Average circulation - - -	4,016,500	Investments in securities - -	7,367,900
Deposits, public and private -	3,025,200	Gold and silver coin - - -	989,800
Year ending 31 Dec. 1833 -	7,041,700		8,357,700
Average circulation - - -	3,834,500	Investments in securities - -	7,360,100
Deposits, public and private -	3,046,500	Gold and silver coin - - -	888,400
Year ending 31 Dec. 1834 -	6,881,000		8,248,500
Average circulation - - -	3,636,900	Investments in securities - -	7,353,600
Deposits, public and private -	2,899,400	Gold and silver coin - - -	745,200
Year ending 31 Dec. 1835 -	6,536,300		8,098,800
Average circulation - - -	3,429,300	Investments in securities - -	6,929,700
Deposits, public and private -	2,681,600	Gold and silver coin - - -	704,400
Year ending 31 Dec. 1836 -	6,110,900		7,634,100

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— No. 30. —

AN ACCOUNT of the Average Amount of Investments in Government Securities held by the Bank of Ireland, each Year, for Five Years, ending December 1836.

No. 30. Investments in Government Securities.

	£.
Year ending December 1832 - - - -	4,396,609
— 1833 - - - -	4,663,850
— 1834 - - - -	4,661,795
— 1835 - - - -	4,729,027
— 1836 - - - -	4,176,075

Bank of Ireland, 1 March 1837. *R. Culley*, Accountant General.

— III. —
Accounts relating to the Bank of Ireland.

— No. 31. —

No. 31.
Amount due by Government to the Bank of Ireland.

AN ACCOUNT showing the Amount Due by GOVERNMENT to the BANK OF IRELAND for BANK CAPITAL advanced to Government, and the Annual Amount and Rate of Interest received for same; also the Periods of the several Advances composing that Amount, the Terms of their Redemption, and the Variations in the Annual Amount and Rate of Interest received for same.

		£.	s.	d.
1836: Dec. 31	The total amount of Bank of Ireland capital advanced to Government is - - - - - - - - - - - -	2,630,769	4	8
	And the annual interest received for same is - - - -	115,384	12	2
	Viz.			
	£. 1,015,384. 12. 4., held at 5 per cent. per annum -	50,769	4	8
	1,615,384. 12. 4., - - ditto - - ditto - -	64,615	7	6
	£.	115,384	12	2

The following are the Dates, &c. of the Advances.

Dates of Advances.	Amounts Advanced.	Rates of Interest.	Annual Amount of Interest Received.	TERMS OF REDEMPTION.
	Late Irish Currency. £.		*Irish Currency.* £.	
1783 -	600,000	-- 4 per cent. per annum.	24,000	-- to be repaid on corporation being dissolved.
		1795, raised to $4\frac{1}{2}$ per cent.	25,500	
		1797, raised to 5 per cent.		
1797 -	500,000	-- 5 per cent. per annum.	- - -	-- to be repaid on corporation being dissolved.
	1,100,000	-- 5 per cent. per annum, and an annuity of 3*l.* 12*s.* 6*d.* per cent. per annum on 500,000*l.* for 19 years, from June 1797.	55,000	
1808 -	1,250,000	-- 5 per cent. per annum.	- - -	-- to be repaid on corporation being dissolved, or at pleasure of Government on six months' notice to Bank.
	2,350,000	-- 5 per cent. per annum.	117,500	
1821 -	500,000	-- 4 per cent. per annum.	20,000	-- to be repaid on 1st January 1838.
£.	2,850,000	£.	137,500	

1822 - -- Interest on addition of 1808, say on 1,250,000*l.* reduced to 4 per cent. per annum, making the entire stand as at present; viz.

£.	£.	s.	d.		£.	s.	d.
1,100,000	Irish, 1,015,384	12	4	British, at 5 per Cent. -	50,769	4	8
1,750,000	— 1,615,384	12	4	— 4 — -	64,615	7	6
TOTAL - £. 2,850,000	2,630,769	4	8	Interest - - - £.	115,384	12	2

Bank of Ireland, 20 March 1837.

R. Culley, Accountant General.

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— III. —
Accounts relating to the Bank of Ireland.

— No. 32. —

No. 32. Unclaimed and Unpaid Dividends.

AN ACCOUNT of the Amount of UNCLAIMED and UNPAID DIVIDENDS on Government Stock and Debentures remaining in the Hands of the BANK OF IRELAND, on the Last Day of each Quarter for Ten Years, ending 4th January 1837.

	£.		£.		£.
1827 : 4 April -	128,850	1831 : 4 January	117,160	1834 : 4 January	134,790
— 4 July -	120,510	— 4 April -	153,930	— 4 April -	147,350
— 9 October -	120,970	— 4 July -	130,530	— 4 July -	128,930
1828 : 4 January -	123,520	— 9 October	139,700	— 9 October	127,080
— 4 April -	128,350			1835 : 4 January	130,400
— 4 July -	122,540	1832 : 4 January	144,690	— 4 April -	139,400
— 9 October -	132,120	— 4 April -	160,740	— 4 July -	115,580
1829 : 4 January -	137,190	— 4 July -	147,540	— 9 October	129,030
— 4 April -	147,530	— 9 October	160,780	1836 : 4 January	133,860
— 4 July -	131,140			— 4 April -	144,010
— 9 October -	125,610	1833 : 4 January	159,790	— 4 July -	134,030
1830 : 4 January -	129,440	— 4 April -	159,840	— 9 October	139,390
— 4 April -	151,040	— 4 July -	135,930	1837 : 4 January	140,870
— 4 July -	128,430	— 9 October	132,970		
— 9 October -	129,070				

Bank of Ireland, 20 March 1837.

R. Culley, Accountant General.

— No. 33. —

No. 33. Payment of Interest on Public Debt.

AN ACCOUNT showing the Amount Issued to the BANK OF IRELAND by Government for Payment of Interest on the Public Debt, being Government Stock and Debentures in Ireland, in the Year ending 5th January 1837; also the Number of Dividend Warrants issued in Payment to the Public in same Period.

	£.	s.	d.
Received from Government on account of dividends, Quarter ending April - 1836 - - - -	211,545	10	8
— July - 1836 - - - -	310,169	7	6
— October 1836 - - - -	213,465	18	4
— January 1837 - - - -	320,440	11	11
TOTAL for Year ending January 1837 - £.	1,055,621	8	5

Number of dividend warrants issued to the public in payment of interest on Government stock and debentures, year ending 4th January 1837, 35,263*l*.

Bank of Ireland, 20 March 1837.

R. Culley, Accountant General.

AGENTS' ACCOUNTS.

— No. 1. —

Agents' Accounts: No. 1.

AN ACCOUNT of the PLACES where the BANK OF IRELAND has Established AGENCIES, and the DATE of their Establishment.

1	Cork - - -	March - 1825	12	Galway - -	June - 1830
2	Waterford - -	July - 1825	13	Carlow - -	February - 1834
3	Clonmel - -	— - 1825	14	Longford - -	July - 1834
4	Newry - -	— - 1825	15	Drogheda - -	August - 1834
5	Belfast - -	— - 1825	16	Youghal - -	November 1834
6	Londonderry -	— - 1825	17	Tralee - -	March - 1835
7	Westport - -	October - 1825	18	Kilkenny - -	June - 1835
8	Armagh - -	January - 1827	19	Mountmellick -	January - 1836
9	Limerick - -	September 1827	20	Dundalk - -	August - 1836
10	Sligo - - -	January - 1828	21	Tullamore - -	— - 1836
11	Wexford - -	March - 1829	22	Ballinasloe -	September 1836

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 2. —

AN ACCOUNT of the Total Expenses of the BANK of IRELAND AGENCIES each Year, from 1826 to 1836 inclusive; exclusive of Loss on Discounted Bills.

	£.
Total Expenses at Agencies, year 1826	13,713
— 1827	16,609
— 1828	23,082
— 1829	28,264
— 1830	27,090
— 1831	32,286
— 1832	31,009
— 1833	30,947
— 1834	26,981
— 1835	31,445
— 1836	30,853

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 3. —

AN ACCOUNT of the Amount Received at each of the BANK OF IRELAND AGENCIES for Interest on Bills discounted each Year, from 1826 to 1836 inclusive.

—	1826.	1827.	1828.	1829.	1830.	1831.	1832.	1833.	1834.	1835.	1836.
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
Cork	8,675	24,295	31,697	29,641	22,075	20,221	24,349	23,509	23,167	19,332	18,045
Waterford & Clonmel.	11,690	11,423	9,628	9,931	8,479	8,724	10,373	10,331	9,644	8,418	5,946
Newry	5,764	8,698	9,793	12,020	11,495	10,810	14,020	12,501	11,173	8,934	7,890
Belfast	12,720	14,873	18,765	16,797	14,159	12,457	9,191	6,570	6,501	6,359	6,143
Derry	2,067	4,277	3,564	4,119	3,794	4,195	6,166	6,538	5,899	4,167	3,744
Westport	2,407	3,004	4,118	4,478	4,707	4,172	4,290	4,202	4,178	4,425	4,281
Armagh	- -	762	3,211	5,524	8,186	9,462	8,952	6,771	6,660	5,518	3,006
Limerick	- -	- -	2,637	5,542	4,535	5,487	6,114	6,051	6,720	6,602	6,081
Sligo	- -	- -	334	1,759	2,461	3,140	Sligo disct rec[d] this year included in next year.	6,099	1,698	1,376	1,916
Wexford	- -	- -	- -	296	1,980	2,263	2,518	2,956	3,212	2,696	3,055
Galway	- -	- -	- -	- -	- -	4,052	3,670	3,150	3,972	3,504	3,927
Carlow	- -	- -	- -	- -	- -	- -	- -	- -	183	1,200	1,871
Longford	- -	- -	- -	- -	- -	- -	- -	- -	- -	447	842
Drogheda	- -	- -	- -	- -	- -	- -	- -	- -	- -	1,393	2,336
Youghal	- -	- -	- -	- -	- -	- -	- -	- -	- -	410	1,060
Tralee	- -	- -	- -	- -	- -	- -	- -	- -	- -	34	372
Kilkenny	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	1,333
Mountmellick	- -	- -	- -	- -	- -	- -	- -	- -	- -	- -	439
Dundalk	—										
Tullamore	—										
Ballinasloe	—										
£.	43,323	67,332	83,747	90,107	81,871	84,983	89,643	88,678	83,007	74,815	72,287

Bank of Ireland, 2 March 1837.

R. Culley, Accountant General.

— No. 4. —

AN ACCOUNT of the Loss sustained on DISCOUNTED BILLS at each of the BANK OF IRELAND AGENCIES Annually, from the Year 1826 to 1836, both inclusive.

Year ending 31st May	1826.	1827.	1828.	1829.	1830.	1831.	1832.	1833.	1834.	1835.	1836.
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
Cork	-	477	2,077	5,600	10,500	3,500	3,500	4,900	8,750	3,500	1,750
Waterford & Clonmel.	2,775	273	523	375	450	300	-	900	450	637	800
Newry	2,929	35	600	938	3,000	600	1,950	600	-	300	624
Belfast	409	177	278	3,000	450	600	1,500	2,100	300	613	800
Londonderry	-	182	2,281	487	225	150	-	-	1,050	750	150
Westport	-	-	-	150	300	600	2,100	600	—		
Armagh	-	-	353	150	150	375	2,700	750	600	511	415
Limerick	-	-	-	1,500	1,500	-	1,200	300	1,800	1,500	300
Sligo	-	-	-	75	600	600	-	4,800	1,500	822	200
Wexford	-	-	-	-	172	-	-	-	600	300	750
Galway	-	-	-	-	-	600	3,150	900	-	-	375
Carlow	—										
Longford	—										
Drogheda	-	-	-	-	-	-	-	-	-	309	400
Youghal	—										
Tralee	—										
Kilkenny	—										
Mountmellick	—										
Dundalk	—										
Tullamore	—										
Ballinasloe	—										
£.	6,113	1,144	6,112	12,275	17,347	7,325	16,100	15,850	15,050	9,242	6,564

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 5. —

AN ACCOUNT showing the Average Amount of BILLS under Discount at each of the BANK OF IRELAND AGENCIES each Year, ending 31st May, from 1827 to 1836 inclusive.

—	1827.	1828.	1829.	1830.	1831.	1832.	1833.	1834.	1835.	1836.
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
Cork	512,200	693,600	732,100	553,300	485,200	499,800	481,900	473,300	389,500	356,900
Waterford & Clonmel.	240,700	224,200	240,700	202,100	200,500	213,400	215,800	201,400	175,200	118,400
Newry	174,600	224,400	285,400	272,400	252,600	293,800	262,900	233,600	186,000	162,600
Belfast	336,100	445,300	423,800	344,200	298,900	188,200	145,800	129,400	125,300	123,800
Derry	97,900	86,800	95,800	94,100	101,500	120,600	135,400	121,200	87,100	76,500
Westport	94,500	93,900	103,800	117,300	95,600	82,600	78,500	85,300	77,400	86,600
Armagh	47,100	105,800	174,800	221,800	238,600	153,500	138,100	130,300	81,800	55,400
Limerick	-	77,400	135,900	103,700	135,800	125,600	117,900	134,300	132,100	126,800
Sligo	-	17,400	38,800	58,600	74,900	72,800	51,300	35,800	22,100	40,200
Wexford	-	-	30,900	47,700	57,100	54,500	64,100	69,800	61,500	48,400
Galway	-	-	-	-	90,500	71,500	60,400	74,900	70,600	77,900
Carlow	-	-	-	-	-	-	-	-	22,800	35,100
Longford	-	-	-	-	-	-	-	-	9,300	16,700
Drogheda	-	-	-	-	-	-	-	-	39,700	50,400
Youghal	-	-	-	-	-	-	-	-	16,800	23,400
Tralee	-	-	-	-	-	-	-	-	1,800	7,100
Kilkenny	-	-	-	-	-	-	-	-	-	24,500
Mountmellick	-	-	-	-	-	-	-	-	-	19,800

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 6. —

AN ACCOUNT of the Average Amount of Bills under Discount at all the Bank of Ireland Agencies each Year, ending 31st May, from 1827 to 1836 inclusive.

	£.
Year ending 31st May 1827	1,503,100
— 1828	1,968,800
— 1829	2,262,000
— 1830	2,015,200
— 1831	2,031,200
— 1832	1,876,300
— 1833	1,752,100
— 1834	1,689,300
— 1835	1,499,000
— 1836	1,450,500

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 7. —

AN ACCOUNT showing the Total Amount of Local, Dublin, English and Scotch Bills discounted by the Agents of the Bank of Ireland, during the Year 1835; also a Monthly Average of same.

—	Local Bills.	Dublin Bills.	English Bills.	Scotch Bills.	TOTAL.
	£.	£.	£.	£.	£.
	3,844,600	538,000	2,541,600	185,700	7,109,900
Average per Month, £.	320,300	44,800	211,800	15,400	592,400

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— No. 8. —

AN ACCOUNT showing the Total Amount of Local, Dublin, English and Scotch Bills discounted by the Bank of Ireland Agents, during the Year 1836; also a Monthly Average of same.

—	Local Bills.	Dublin Bills.	English Bills.	Scotch Bills.	TOTAL.
	£.	£.	£.	£.	£.
	4,240,100	612,200	2,480,900	253,500	7,586,700
Average per Month, £.	353,300	51,000	206,700	21,100	632,200

Bank of Ireland, 1 March 1837.

R. Culley, Accountant General.

— IV. —

MISCELLANEOUS.

— No. 1. —

No. 1. Advances of Bank of England to the Northern and Central Bank.

(Confidential.)

STATEMENT relative to the ADVANCES of the BANK OF ENGLAND to the NORTHERN and CENTRAL BANK.

THE first application made to the Bank of England, on the part of the Northern and Central Bank, for assistance, was on the 28th day of November 1836, upon a representation that Mr. Evans, the manager, had arrived in town from Manchester that morning with securities to the amount of 100,000 *l.*, which he had lost in a cabriolet, and it was therefore possible that the Northern and Central Bank might require a temporary aid.

In the course of the evening the parcel was found; but on the following morning the application was renewed by Mr. Braidley, one of the directors of the Northern and Central Bank, and Mr. Evans, the manager, upon the ground that the Northern and Central Bank was so much discredited as to be unable to meet its engagements without the assistance of the Bank of England.

It was stated to the Bank of England that the liabilities of the Northern and Central Bank consisted of—

	£.
Deposits - - - - - -	260,000
Circulation - - - - -	300,000
	560,000
To meet which it had cash in hand -	180,000
£.	380,000

And that the assets consisted in bills and notes and overdrawn accounts. The amount of bills was not precisely known, but it was represented that the Northern and Central Bank could give the Bank of England immediately about 300,000 *l.* of marketable paper, and the overdrawn accounts were stated at 900,000 *l.* The sudden and unexpected nature of the demand was alleged by Mr. Braidley and Mr. Evans as the ground for their inability to furnish a more precise statement.

From this account it was clear that the direct liabilities of the Northern and Central Bank did not amount to 400,000 *l.* beyond the cash in hand; and in order to re-establish their credit, it was resolved to put in their power a sum sufficient to meet all contingencies, and the Bank agreed therefore to an advance to the extent of 500,000 *l.*

The terms of the contract are contained in the resolutions of the Northern and Central Bank directors, stated in the Appendix (A.) Appendix (A). p. 158.

One of the stipulations of the Bank of England was, that a full account of the affairs of the Northern and Central Bank should be rendered without delay to the Bank of England. It was not till the 12th December that the account was delivered, when it appeared that the deposits, instead of 260,000 *l.* as represented, amounted to 860,000 *l.*

In the meantime the whole 500,000 *l.* had been exhausted, or nearly so, and the bills lodged did not exceed *l.*

The Bank therefore requested the attendance of Mr. Braidley, Mr. Evans and Mr. Lyle, the accountant of the Northern and Central Bank, to explain the discrepancy. Upon their arrival in town, on Saturday the 17th of December, Mr. Braidley stated that, in consequence of absence from Manchester, he had been personally unacquainted with the accounts, and had made the representation upon information he believed to be true; but that he now found that a portion of the deposits were called cash credits, and had been deducted from the overdrawn accounts, so that both were thus reduced, and that in fact the deposits were 860,000 *l.*, and the overdrawn accounts 1,300,000 *l.*

It further appeared that the Northern and Central Bank, having actually received from the Bank of England upwards of 600,000 *l.*, would require further assistance to a very large amount.

Viewing therefore the actual position of the Northern and Central Bank, the governors and directors of the Bank of England intimated their opinion that they could only assist the Northern and Central Bank to liquidate.

Mr. Braidley requested time to communicate with his colleagues on this subject, and a deputation from the board of the Northern and Central Bank attended in London on Wednesday the 21st December, and the negotiations were resumed on that and the following day, and eventually an agreement was come to between the Bank of England and the Northern and Central Bank. This transaction is fully stated in the minutes set forth in the Appendix (B.); and the agreement thus entered into was afterwards confirmed by the board of directors of the Northern and Central Bank. Appendix (B.) p. 160.

— IV. —
Miscellaneous.

No. 1.
Advances of Bank of England to the Northern and Central Bank.

Immediately upon the signing this agreement two directors of the Bank of England proceeded to Manchester to inspect the affairs of the Northern and Central Bank, and to take possession of the securities which were to be delivered to the Bank of England.

A general statement had been delivered to the Bank of England of the amount of bills and notes to the 10th December, and on the arrival of the directors in Manchester they were furnished with a continuation of this to the 17th December. By this last account the bills, &c. appeared to amount to 373,136*l.* Upon examining the books of the company it was found that a weekly statement was made up of the assets and engagements of each branch and of the head establishment, and from this account the returns made to the Bank were taken, but with this extraordinary variation. In the accounts rendered to the Bank the securities were stated in one column as notes and bills; in the accounts kept by the Northern and Central Bank they were distinguished into two heads in separate columns, viz. "Bills on hand" and "Past due bills;" and the securities, amounting, by the account of the 17th December, to 373,136*l.*, included no less a sum than 104,740*l.* of over-due bills. It was also ascertained that these were the total of bills unpaid since the opening of the bank, and that the dividends received had been written off, so that this balance was the residuum, and a large portion of it must be nearly worthless.

These particulars also entirely destroyed the excuse offered for the mis-statement of the accounts on the first application for assistance; the amount of deposits has been uniformly stated in one column, and the total amount of overdrawn accounts in another. No distinction is made between deposits and cash credits. The whole are under one head and in one sum; nor is any portion of the deposits deduced from the overdrawn accounts. No account in the books of the Northern and Central Bank would have exhibited the result communicated to the Bank of England.

Having taken possession of such securities as remained, the directors proceeded to investigate the general affairs of the Northern and Central Bank.

On the debts due to the Company, it would be improper to remark; but one fact must be noticed, viz. the great proportion of shareholders among the debtors. Of 52 accounts due at Manchester, the balances of which exceeded 2,000*l.* each, 35 are due by shareholders; and of 29 principal debtors at Liverpool, 21 are shareholders; and when at a later period of the investigation the directors of the Bank of England desired that a committee of inspection should be appointed from the shareholders not being debtors, or in any way connected with the directors, it was stated that it would be difficult, if not impossible, to form such a committee.

The directors of the Northern and Central Bank stated their branches to have been very injurious to the Company, and when it is considered that the greater part were established in a few months, it could not be expected that 39 agents should have been found within that time, in all respects fitted for so weighty and confidential a charge.

With reference to the extent of overdrawn accounts, the directors stated the principle of the Northern and Central Bank to be, to allow their customers to overdraw in proportion to the extent of their transactions.

Appendix (C.) p. 161.

An account is subjoined in the Appendix (C.), showing from the weekly returns the extent and fluctuations of the transactions of the bank during the past year.

The branches at which the largest amounts of overdrawn accounts are found are Liverpool, Leeds, Nottingham and Sheffield. The Leeds branch had been sold, and it was stated by the chairman of the Northern and Central Bank, that the purchasers assumed about 50,000*l.* of the overdrawn accounts out of 124,000*l.*, leaving the Northern and Central Bank to collect the residue*. An instance connected with this branch was mentioned by the chairman, illustrating the difficulty of controlling the managers. A person named *A.* had an account, and was limited to a credit of 1,500*l.* to 2,000*l.*, and though repeatedly cautioned, the manager allowed this debt to be swelled to 9,000*l.*, and the directors were kept in ignorance of the extent of advance in consequence of bills being credited to *A.*, which were never accepted.

* The reason assigned for the small amount taken over was the want of means on the part of the purchaser.

The Sheffield branch has been felt by the directors to be so injurious, that the business had been reduced to as low a point as possible, and consisted principally in sustaining persons to whom the bank had already made advances, in the hope that the debts might eventually be recovered by this means. From this latter branch the directors received a class of paper, hitherto unknown to bankers, viz. bills drawn upon America, which have been transmitted to the Girard Bank in Philadelphia for collection. The bills so forwarded to that establishment, and for which returns have to be made, now amount to about 50,000*l.*, and the Girard Bank has also drawn on the Northern and Central Bank for 25,000*l.* by way of accommodation, upon an open credit allowed them, limited, in the first instance, to 30,000*l.* For this the Girard Bank is to provide funds. At Nottingham the amount overdrawn is 131,798*l.*, and the chairman of the Northern and Central Bank states that a heavy loss must take place in getting in the debts due there. Upon the whole, there has been an excessive extension of credits for the purpose of obtaining business, and of accommodating the shareholders, and a considerable loss must be expected in liquidating these overdrawn accounts.

The same circumstances must necessarily, in a considerable degree, affect the bills negotiated by the company, and those held by the Bank of England and the London agents; and as the operations of the bank contract, and its power of affording support to the needy customers is withdrawn, the proportion of paper returned may be expected to increase.

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In investigating the account of the securities and debts due to the Northern and Central Bank, the directors of the Bank of England noticed a striking discrepancy in the account rendered on the 17th December, as compared with that made up on the 10th December; and on following this out, it appeared that certain items included in the accounts up to the 10th December had been subsequently withdrawn. Among these was the sum of 69,500 *l.* stated to be due in a private ledger.

A list was furnished, by the chairman, of the items composing this latter sum, and it was found to consist of debts due by the directors and their connexions, in addition to the amount of their overdrawn accounts in the public books and their notes of hand; and on inspection of the private ledger at a later date, it was found that there was a further sum of 90,000 *l.* due, which had not been included in the extract furnished to the directors of the Bank of England.

This discovery led to an investigation of the transactions of the directors with the company.

The qualification for directors of the Northern and Central Bank was 100 shares. It was, however, ascertained that each of the original directors took 1,000 shares; and that besides these, other shares were at later dates distributed among the directors and their near connexions. Instead of paying the calls to the bank, the directors and their nominees were severally debited with the amount in a private ledger locked up, and the key deposited with the chief accountant. In addition to this, each director had a current account with the bank, and many of them had overdrawn their accounts to a very large amount. Nor was this all; for it further appeared that many of them were also indebted in large sums of money on notes of hand, which being placed to the account of securities, did not appear in the books as a debit against the directors. Upon combining these several items of debt, it was ascertained that there was no less than 290,000 *l.* due by the directors, and that there was near 14,000 *l.* due by the managers and clerks. Of the debt due by directors 35,000 *l.* was paid off while the directors of the Bank of England remained at Manchester, reducing the total to 255,000 *l.* A statement of these debts is subjoined. Appendix (D.)

Appendix (D.) p. 162.

As it had been represented in justification of the directors of the Northern and Central Bank that they had taken the shares for the benefit of the company, and were restricted by a regulation of the board from selling them, and thus paying off their debts, the stock ledger was examined, and it was found that while some of the directors were holders of very large amounts of shares, others had disposed of the greater part of their interest; that transfers of shares were made to and from directors; and a peculiar feature of these transactions was, that while shares bought by directors were transferred to them, they sold shares in the names of third persons. In such cases, the nominee executed a transfer as from his own name to the purchaser; but this transfer, instead of being debited in the share ledger to the account of the transferror, was debited to the director, whose secret agent he was; thus the public were deceived, the books were falsified, and the purchaser was allowed to take a transfer from a person who probably had no interest in the company and certainly not that interest which was transferred, for it was distinctly admitted that the shares were not first transferred by the director to an agent or nominee, but were transferred by the nominee, having no title whatever. Subjoined is a copy of a printed form of application for transfer (F.)

See Appendix (E.) p. 163.

Appendix (F.) p. 163.

Upon prosecuting the inquiry into the origin of the debt of the directors, the following facts were discovered: It appears that shares were given to the Northern and Central Bank in the London and Westminster Bank, the Yorkshire District Bank, and the Royal Bank of Ireland, in consideration of the advantage of their banking account. The directors of the Northern and Central Bank not only divided these shares among themselves for their private advantage, but they paid for them out of the funds of the Northern and Central Bank, debiting themselves for the amount in the private ledger. In this manner, 56,212 *l.** was paid out of the funds of the Northern and Central Bank for the benefit of the directors, and some of the principal clerks to whom they allowed a small participation. An extract is subjoined from the private journal, detailing this transaction (G.)

* This sum constitutes part of the debt before mentioned to be due by the directors and clerks.

Appendix (G.) p. 164.

It further appeared, that in December 1835, and January 1836, the directors of the Northern and Central Bank distributed 4,465 shares in that company among themselves. At that time shares in the company were selling at about 3 *l.* premium, but in distributing the shares in question the directors took 1,000 shares at 1 *l.* per share premium, and 3,465 at a still lower premium.

These distributions of shares, and the consequent debits on the private ledger, are not confined to the names of directors. Other gentlemen would appear to have received shares, and to be consequently charged with the cost, but it is expressly stated by the chairman that these gentlemen are only the nominees of directors, that the shares belong to the directors individually, and that they are liable for the cost. The transactions of the individual directors must form a matter of more minute investigation. Some may be more deeply implicated, others nearly, if not entirely, exempt from the censure; but justice requires that the case of Mr. Stell should be specially noticed. That gentleman had a large banking account with the company, and the directors invited him, at the latter end of the year 1835, to take a seat in the direction, to which he assented. Mr. Stell was already a proprietor of 1,400 shares, for which he had paid, but the directors proposed to give him an additional thousand shares at the premium of 3 *l.* per share, and consented, on his paying the premium, to allow the 10,000 *l.* to remain at his debit for two years certain, and a third year, if he required it, charging interest thereon at the rate of 4 *l.* per cent. per annum. Mr. Stell, in fact, paid 3,000 *l.*

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3,000*l.* for premium, and these shares were allotted to him on the day, and no doubt at the same board, when the directors apportioned 1,000 shares to themselves at 1*l.* per share premium. Mr. Stell was not elected into the direction till some months afterwards. In the mean time he had gone to the United States, and has only recently returned. Though a director, he has taken no part hitherto in the proceedings in question, nor has he participated in any of the above distributions.

Another circumstance has been brought to light in connexion with this subject specially deserving of attention: a dividend was made for the year ending December 1835, at the rate of seven per cent. per annum.

From an inspection of the account of the undivided profits in which that dividend is debited, it would appear that the profits of the company were insufficient to meet it; but in order to provide for the deficiency the directors introduced into the account an assumed profit on unsold shares. According to its original design, the company was to consist of 100,000 shares. In December 1835, 29,104 remained to be distributed, and the directors, to make a dividend, assumed a profit of 1*l.* per share on this number, and this brought a fictitious sum of 29,104*l.* into the profits of the year. Whether the same course was pursued on the dividend to June 1836 could not be ascertained, as the account in the private ledger was not written up, nor could the directors of the Bank of England ever obtain a sight of the accounts in which that dividend was declared, it being alleged that it was only in the rough and had never been fairly transcribed, and that after what had passed it was better not to submit any imperfect statements.

After these discoveries the directors of the Bank of England determined not to leave the affairs of the Northern and Central Bank in the uncontrolled administration of the existing board. They, therefore, endeavoured to find some of the larger shareholders qualified to act as a committee of inspection. In this much difficulty was experienced, but eventually a meeting was held of influential shareholders, at which four gentlemen were named for the purpose, viz. Mr. James Burt, Mr. T. Harbottle, Mr. T. Broadbent and Mr. Connell.

These gentlemen having accepted the office, the directors of the Northern and Central Bank passed a resolution authorizing them to investigate the affairs of the Company; and a meeting took place at the banking-house on Wednesday, January 4, of the directors of the Northern and Central Bank, and the committee thus named, at which the directors of the Bank of England explained fully the result of their investigation, and gave the committee the information necessary to follow out the inquiries made.

One of the first duties of the committee would be to call for payment from the directors of the Northern and Central Bank of the debts owing by them, or to obtain securities from those who were unable to pay. This task absolutely required the intervention of a third party, and they would also take measures for calling in the other debts due to the company both at Manchester and the branches.

In the situation of the directors it would have been impossible to expect any great exertion from them, and they could not have enforced payment from debtors while it was known that to their own debts part of the company's difficulties might be fairly ascribed.

In such a state of things the interests of the shareholders and of the Bank of England must alike have been sacrificed.

On the other hand, had the Bank of England assumed a direct control they would have been called on to undertake a very painful task in enforcing payment from the debtors of the company.

The Bank could not have done this efficiently at so great a distance, and as the burden properly belongs to the shareholders, so they are better qualified to execute its duties. They have been made acquainted with their situation and the risks they incur, and have been placed in a position to protect their own interests. Having done this, it was, in all respects, more proper to leave the further control in their hands.

The Bank of England is also assured, as the result of inquiries into the proprietary of the Northern and Central Bank, that in the very worst event, the Bank of England will not sustain any ultimate loss.

Appendix (A.)

Appendix (A.)

Northern and Central Bank of England, Brown-street, Manchester, 3 December 1836.

At a Special Board of Directors held here this day: Present, Mr. Moult, chairman; Messrs. Fernley, Hall, Stell, Vernon, Binyon and Woodall, when also Mr. Charles Freshfield attended.

Read a copy of the engagement entered into by the manager and Mr. Braidley with the Bank of England, as follows:

Sir, London, 29 November 1836.

In consequence of the urgent necessities of the Northern and Central Bank, and under the severe pressure they now experience, we beg, on behalf of that establishment, to apply to the Governor and Company of the Bank of England for an advance to sustain the current engagements of the Northern and Central Bank.

We

We are desirous of receiving immediately the loan of 100,000 *l.* upon the discount of paper now submitted, and we request the aid of the Bank for a further sum not exceeding 400,000 *l.* beyond the above 100,000 *l.*, to be advanced to us as may be found necessary.

We are, sir, your most obedient servants,

Benj. Braidley, Director.
Thos. Evans, Manager.

To the Governor of the Bank of England.

London, 30 November 1836.

The governors and directors of the Bank of England, having taken into consideration the communications made to them by Mr. Braidley, one of the directors, and Mr. Evans, the manager of the Northern and Central Bank, of the urgent pressure experienced by them, propose to afford accommodation to that establishment, by lending them the sum of 100,000 *l.* upon discount of the paper now submitted to them, upon the following conditions: viz. The Northern and Central Bank shall immediately proceed to close all the branches, sub-branches and agencies, in connexion with that company, excepting their branch at Liverpool and their London agency; and public notice shall be given to that effect, within 10 days from this date, and all such branches shall be discontinued on or before the 30th day of June next.

The Bank of England will extend to the Northern and Central Bank such further assistance as may be necessary to enable that establishment to meet its liabilities, to an extent not exceeding 400,000 *l.* beyond the sum above mentioned. The Northern and Central Bank supplying paper for discount, so far as they have the means, and such other security as they may be enabled to provide. The advances of the Bank of England to be repaid with interest, at five per cent. per annum, in six months from this date; but the Northern and Central Bank are to repay the same earlier if they are enabled so to do; and on the other hand, the Bank will not object to extend the period of advance if it shall be found necessary, but such extension is to be matter of mutual agreement hereafter.

The Northern and Central Bank shall put the Bank of England into possession of such securities as they may from time to time obtain from their debtors and others, to secure the advances of the Bank of England.

No repayment shall be made to Messrs. Grotes, the London agents of the Northern and Central Bank, on account of the advances or liabilities hitherto undertaken by them, until the advances to be made by the Bank of England shall have been fully liquidated.

The London and Westminster Bank are to remain under their present advance, for the Northern and Central Bank, to the extent of 150,000 *l.* without security, until the advances of the Bank of England are fully liquidated.

The money transactions of the Northern and Central Bank with London shall be confined to Messrs. Grote & Co., or some other London banking house, to be approved of by the Bank of England, till the proposed advances are liquidated. A full statement is to be furnished to the Bank of England, as early as possible, of the assets, debts, engagements, and liabilities of the Northern and Central Bank, with all such particulars as the directors may require for the elucidation thereof.

To the Governor of the Bank of England.

Sir,

Having considered the terms proposed by you, and on which the Bank of England are willing to advance the sum of 100,000 *l.* for the immediate services of the Northern and Central Bank, we have come to the determination to accede to them, and we engage that they shall be accepted by the board of directors of our bank, and to procure a confirmation in such terms as may be thought necessary.

We have the honour to be, sir, your most obedient servants,

Benj. Braidley, Director.
Thos. Evans, Manager.

Resolved, That the arrangement above specified be confirmed, and the same is hereby adopted and confirmed accordingly.

That the manager having discounted with the Bank of England certain bills, and having opened an account there on which Mr. Cassels was drawing, and having left two notes for 50,000 *l.* each, to be discounted, if required, the board approve thereof.

That the manager take up from the Bank of England credits for 10,000 *l.* at Birmingham, and 50,000 *l.* at Liverpool, and make and discount a note for that purpose.

That Mr. W. G. Cassels be authorized on behalf of this company to apply to the Bank of England for advances of money from time to time, and to receive and give receipts for the same, and to discount or deposit with the Bank of England such securities as he may from time to time be enabled to furnish.

That public notice be given immediately that all the branches, sub-branches and agencies in connexion with this bank, except the Liverpool branch and the London agency, will be closed or discontinued on or before the 30th of June next.

That the power of attorney now prepared and read shall be executed by Mr. Evans, the manager of this bank, authorizing Mr. W. G. Cassels to transact with the Bank of England all such matters as may arise upon the above agreement.

That a copy of this resolution be furnished to the directors of the Bank of England.

(signed) *H. Moult* Chairman.

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Appendix (B.)

Appendix (B.)

SPECIAL BOARD, December 26th, 1836.

Present:—Mr. Agnew, in the chair; Messrs. Stell, Moult, Agnew, Hall, Braidley, Hardie, Binyon, Woodall and Vernon.

Memorandum.—Messrs. Moult, Braidley and Stell, the majority of the committee appointed on the 19th instant to act in London, on behalf of this board, report that they have entered into the following agreement with the governor and directors of the bank of England.

"London, 22d December 1836.

"The governor and directors of the Bank of England have taken into their consideration the statement transmitted by the Northern and Central Bank, on the 12th instant, of their assets and engagements on the 3d December, with the explanations now offered by Mr. Braidley, Mr. Evans the manager, and the accountant.

"The governor and directors had consented to an advance not exceeding 500,000 *l.*, on representations made to them by Mr. Braidley and Mr. Evans, that the liabilities of the Northern and Central Bank, arising from deposits and circulation, after deducting cash in hand, did not exceed 400,000 *l.*

"The Bank of England have more than fulfilled their part of the agreement, but it now appears that the liabilities of the Northern and Central Bank in deposits exceed the amount formerly stated by the sum of 600,000 *l.*

"The directors of the Bank of England viewing this enormous liability, are of opinion that the Northern and Central Bank cannot be upheld by them as a bank, while contracting fresh engagements; but considering the consequences likely to arise to the country from the stoppage of payment of an establishment having such extensive ramifications, they are willing to assist the Northern and Central Bank, in meeting its present engagements, on condition that the directors of that company shall confine their operation to the discharge of their existing liabilities, till the whole of the bank's debt is paid off.

"For securing the advances made and to be made by the Bank of England, all the securities which the Northern Central Bank now have at the head office or the branches, or hereafter may require [acquire?] until the advances of the Bank of England are paid, whether consisting of notes, bills, title-deeds, or otherwise, shall be delivered to the Bank of England.

"The Bank of England will require the power of inspecting the administration of the funds of the Northern and Central Bank, and of appointing agents for that purpose.

"All expenses already incurred by the Bank, and to be incurred in relation to the advances made and those hereafter to be made, to be paid by the Northern and Central Bank.

"The London and Westminster Bank and Messrs. Grotes' to remain under such advance as stipulated in the memorandum of the 30th ultimo, until the further advances of the Bank are repaid.

"The advances of the Bank are to be at 5 per cent. interest, and to be paid at the expiration of six months, and any extension of this time is to be matter of treaty hereafter.

"Judgment shall be entered up in an action at the suit of the Bank of England against the public officer of the Northern and Central Bank, for the sum of one million pounds, for securing the repayment of advances made and to be made by the Bank of England.

"Until the whole of the advances of the Bank of England shall have been paid, or provided for satisfactorily to the Bank of England, the directors of the Northern and Central Bank shall confine their operations to the discharge of the existing liabilities of that company.

"That notice shall be given to the customers of the Northern and Central Bank, on or before the 31st instant, to prepare for closing their accounts on or before the 1st February next. The Northern and Central Bank being at liberty to continue the operations of their present customers to that time.

"The directors of the Northern and Central Bank are, within a week from this date, to advertise a meeting of their shareholders, for the expressed purpose of considering the propriety of confirming the agreement with the Bank of England, and embracing the discontinuance of their business until the debt of the Bank of England is liquidated; and the directors engage to use their endeavours to have the arrangement with the Bank confirmed at such meeting. If the proprietors shall refuse to confirm the same, the advances of the Bank of England shall become due within 21 days after such meeting.

"*Henry Moult.*
"*Benjamin Braidley.*
"*Wm. S. Stell.*"

Resolved, that this board do approve of the agreement made and entered into by the committee with the Bank of England, and do ratify and confirm the same, and this board approve, ratify, and confirm the execution of the warrant of attorney in the said minutes referred to.

That a copy of these minutes be communicated to the directors of the Bank of England.

(signed) *Thomas Agnew,*
Chairman of the Day.

Appendix (C.)

GENERAL STATEMENT from 9th January to 24th December 1836.

1836:	Bills in Hand.	Past due Bills.	Lent.	Lodged.	Gold, &c.	Circulation.	Weekly Amount on which Commission will be Charged.	1836:
	£.	£.	£.	£.	£.	£.	£.	
January - 9	305,855	62,072	- - -	- -	137,677	288,300	455,505	January - 9
– 16	345,950	61,994	- - -	- -	140,923	292,520	306,506	– 16
– 23	379,609	62,197	- - -	- -	139,529	296,020	332,390	– 23
– 30	345,952	62,402	1,061,870	723,345	135,491	301,820	348,825	– 30
February 6	394,688	64,165	1,070,704	772,265	141,413	295,930	375,445	February 6
– 13	444,519	63,595	1,094,781	744,262	128,383	304,810	338,115	– 13
– 20	419,577	64,340	1,095,526	744,655	138,699	301,420	280,012	– 20
– 27	446,398	64,609	1,142,925	770,706	156,975	308,310	352,414	– 27
March - 5	429,751	64,220	1,135,457	771,388	158,898	321,930	383,324	March - 5
– 12	379,229	64,561	1,195,271	794,766	142,447	318,380	356,642	– 12
– 19	404,706	64,528	1,189,238	830,794	161,294	319,345	318,485	– 19
– 26	386,227	65,577	- - -	- -	157,343	336,400	347,118	– 26
April - 2	420,419	66,249	- - -	- -	173,821	340,730	332,663	April - 2
– 9	431,256	67,710	1,243,004	855,890	157,313	357,750	378,792	– 9
– 16	433,111	67,120	1,256,163	876,416	144,025	355,995	387,133	– 16
– 23	457,192	67,141	1,276,110	875,956	154,810	354,750	359,835	– 23
– 30	407,749	67,875	1,352,119	861,545	148,989	369,390	418,059	– 30
May - 7	412,328	69,137	1,380,765	897,772	149,048	371,760	390,572	May - 7
– 14	388,573	69,022	1,370,293	983,888	168,513	357,845	380,881	– 14
– 21	425,983	64,322	1,310,348	1,024,386	144,869	340,865	331,763	– 21
– 28	482,270	69,330	1,363,045	1,036,516	165,351	343,345	315,485	– 28
June - 4	396,045	62,302	1,370,259	1,048,507	152,222	340,440	390,252	June - 4
– 11	393,955	51,645	1,165,301	1,065,882	146,790	349,090	385,277	– 11
– 18	326,973	51,815	1,400,141	1,062,473	124,136	345,105	330,481	– 18
– 25	324,998	52,738	1,377,942	1,021,353	160,453	343,355	326,556	– 25
July - 2	314,871	52,914	- - -	- -	164,344	321,600	261,343	July - 2
– 9	373,760	43,893	- - -	- -	145,000	329,410	356,507	– 9
– 16	296,578	49,295	- - -	- -	134,595	322,375	316,935	– 16
– 23	322,220	60,537	1,502,112	932,581	132,754	319,160	336,261	– 23
– 30	366,320	61,520	1,493,860	913,260	120,130	310,920	350,610	– 30
August - 6	384,773	64,561	1,530,200	927,943	133,265	318,505	401,910	August - 6
– 13	293,840	65,717	1,545,016	938,273	145,164	315,000	355,006	– 13
– 20	309,410	68,157	1,550,423	953,233	154,045	325,550	355,178	– 20
– 27	298,179	69,402	1,560,369	958,344	134,172	320,835	366,167	– 27
September 3	327,408	64,821	1,572,735	945,527	129,848	322,470	369,140	September 3
– 10	352,770	65,973	- - -	- -	126,116	331,320	366,583	– 10
– 17	381,669	69,372	1,527,424	913,329	116,571	338,035	319,061	– 17
– 24	328,708	67,350	1,536,523	915,081	130,619	338,695	319,860	– 24
October 1	363,834	69,846	1,512,440	860,322	119,519	339,670	375,582	October 1
– 8	342,239	72,477	1,505,764	861,141	124,440	347,385	362,121	– 8
– 15	329,624	74,178	1,501,728	875,008	123,293	340,405	377,086	– 15
– 22	395,187	78,236	1,495,168	887,770	131,651	338,340	339,975	– 22
– 29	399,405	83,703	1,454,968	889,890	147,985	343,930	366,206	– 29
November 5	428,813	87,257	1,410,626	879,906	129,931	317,340	372,959	November 5
– 12	472,058	89,134	1,389,454	874,896	129,014	314,110	334,285	– 12
– 19	538,432	93,447	1,329,318	860,068	134,092	303,235	361,136	– 19
– 26	485,508	95,234	1,320,199	861,422	132,697	298,165	316,939	– 26
December 3	405,413	96,945	1,287,507	832,249	99,847	281,850	324,092	December 3
– 10	401,662	100,514	1,252,674	705,938	266,572	215,520	330,628	– 10
– 17	268,396	104,740	1,224,526	674,074	161,111	193,000	317,195	– 17
– 24	217,798	108,550	1,227,715	617,106	128,915	171,785	271,080	– 24

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Appendix (D.)

Appendix (D.)

STATEMENT of Accounts of the Directors of the Northern and Central Bank.

3 January 1836.

	Overdrawn.	Notes.	Private Ledger.	
	£.	£.	£.	£.
Thomas Agnew	2,960	- -	14,240	
Lockett, his nominee	- -	- -	5,893	
				23,093
Benjamin Braidley	1,980	- -	14,032	
B. & Co.	4,670	5,000		
Kearsley, his nominee	- -	- -	4,667	
				30,347
Thomas Binyon	407	- -	2,407	
Johnston, his nominee	- -	- -	2,942	
				5,756
James Hardie	2,300	- -	15,129	
and Co.	53,062	—	—	
				70,491
Hardice, H.	- -	- -	4,465	4,465
*John Fernley	—	—	—	
Westhead, his nominee	- -	- -	1,248	
Robinson - ditto	- -	- -	2,002	
				3,250
W. S. Stell	8,073	- -	10,200	18,273
Jno. Thorpe	2,606	2,000	6,809	
		5,000	—	
				16,409
William Vernon	4,362	- -	12,409	
Miller, his nominee	- -	- -	4,665	
				21,436
James Woodhall	6,527	- -	13,784	
Hough, his nominee	- -	- -	4,887	
				25,198
George Hall	1,438	- -	12,715	
Robert Hall, his nominee	- -	- -	4,599	
				18,750
Henry Moult	- -	7,500	4,787	
			6,107	
				18,388
Besides a credit in favour of his son for $ 50,000			£.	255,856

Clerks:

Goodier, cashier		2,250	1,267	3,517
Evans, manager		3,500	1,267	4,767
Walsh, manager at Liverpool branch		- -	534	534
Clarke, local director at Shrewsbury		- -	1,919	1,919
Harding - ditto - Tamworth		- -	919	919
Lyle, accountant		- -	3,119	—
Less Cash Account		- -	800	2,319
			£.	13,975

* Mr. Fernley states that the whole balance due by him had been paid, but the sums as above appear in the books.

Appendix (E.)

LIST of SHARES in the Northern and Central Bank in the Names of Directors and their Nominees, as alleged by the Chairman, Mr. Moult.

	Shares.
Thomas Agnew, director	1,000
Lockett, his nominee	225
Benjamin Braidley, director	1,000
Kearsley, his nominee	445
Thomas Binyon, director	125
Johnston, his nominee	200
James Hardie, director	1,000
John Fernley, director	150
Westhead, his nominee	110
Robinson - ditto	—
W. S. Stell, director	2,400
John Thorpe, managing director	750
William Vernon, director	1,050
Mellor, his nominee	445
James Woodhall, director	1,110
Hough, his nominee	344
George Hale, director	500
Robert Hale, his nominee	100
Henry Moult, director	1,990

CLERKS, &c.

Mr. Goodier, chief cashier	—
Thomas Evans, manager	—
S. H. Walsh, manager of Liverpool	95
C. T. Clarke, local director, Shrewsbury	250
Charles Harding, ditto - Tamworth	100
J. R. Lyle, accountant	130

Appendix (F.)

NOTICE of Transfer, by a Proprietor on selling his Shares.

To the Directors of "The Northern and Central Bank of England," in Manchester.

I DO hereby give you notice, that I have agreed with
of in the county of
for the sale to of shares in the capital stock of the said company, for the price or sum of
subject to your approbation, as required by the provisions in that behalf contained in the deed of settlement or copartnership of the said company.

And I propose that the said shares shall be transferred to the said
provided you approve of as a proper person to become a proprietor of the said company.

As witness my hand this day of

Signed in the presence of }

Memorandum.—Husbands of female proprietors, and executors or administrators of deceased proprietors, and assignees of bankrupt or insolvent proprietors, must describe themselves as such, and insert their address, and also the names and residences of the proprietors under whom they claim, and must produce the authority under which they act, before any transfer can be effected.

N.B.—No two or more persons can become joint proprietors of any purchased share or shares.

— IV. —
Miscellaneous.

No. 1.
Advances of Bank of England to the Northern and Central Bank.

Appendix (G.)

Appendix (G.)

PARTICULARS of the Sum of £.56,212. 19. 3. entered in the Debt of the Private Ledger.

	Shares.		£. s. d.	£. s. d.
Henry Moult - -	110	Yorkshire District Bank, 15th June - - -	1,446 11 –	
	280	Royal Bank of Ireland, 25th June - - -	1,400 – –	
	196	L. & W. Bank, 7th May -	3,988 6 9	
				6,834 17 9
Thomas Agnew - -	50	Yorkshire District Bank -	657 12 –	
	220	Royal Bank of Ireland -	1,100 – –	
	188	L. & W. Bank - -	3,825 11 –	
				5,583 3 –
Benjamin Braidley -	50	Yorkshire District Bank -	657 12 –	
	230	Royal Bank - - -	1,150 – –	
	188	L. & W. Bank - -	3,825 11 –	
				5,633 3 –
Thomas Binyon - -	50	Yorkshire Bank - -	657 12 –	
	220	Royal Bank - - -	1,100 – –	
	188	L. & W. Bank - -	3,825 11 –	
				5,583 3 –
John Fernley - -	188	L. & W. Bank - -	- - -	3,825 11 –
James Hardie - -	110	Yorkshire District - -	1,446 11 –	
	220	Royal Bank - - -	1,100 – –	
	188	L. & W. Bank - -	3,825 11 –	
				6,372 2 –
George Hall - -	50	Yorkshire Bank - -	657 12 –	
	220	Royal Bank - - -	1,100 – –	
	188	L. & W. Bank - -	3,825 11 –	
				5,583 3 –
James Woodhall - -	110	Yorkshire Bank - -	1,446 11 –	
	220	Royal Bank - - -	1,100 – –	
	188	L. & W. Bank - -	3,825 11 –	
				6,372 2 –
William Vernon - -	188	- Ditto - - -	- - -	3,825 11 –
John Thorpe - -	100	Royal Bank - - -	500 – –	
	50	L. & W. Bank - -	1,017 10 6	
				1,517 10 6
James A. Lyle - -	20	Yorkshire Bank - -	263 1 –	
	50	Royal Bank - - -	250 – –	
	50	L. & W. Bank - -	1,017 8 –	
				1,530 9 –
Thomas Evans - -	50	Royal Bank - - -	250 – –	
	50	L. & W. Bank - -	1,017 8 –	
				1,267 8 –
William Gooden - -	50	Royal Bank - - -	250 –	
	50	L. & W. Bank - -	1,017 8 –	
				1,267 8 –
W. G. Cassels - -	50	L. & W. Bank - -	- - -	1,017 8 –
			£.	56,212 19 3

— No. 2. —

No. 2.
Notes circulated by Bank of England; 6 April 1833 to 2 April 1836.

AN ACCOUNT of the Average Amount of Notes circulated by the Bank of England between the 6th April 1833 to 2d April 1836, as set forth by the Bank in their Return of the 2d May 1836.

£.18,489,642. 14. 9.

Accountant and Comptroller-General's Office, Stamps and Taxes, 16 February 1837.

Thomas Lightfoot, A. & C. G.

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— IV. —
Miscellaneous.

— No. 3. —

No. 3. Weekly Circulation of the Bank of England; 29 August 1833 to 2 April 1836.

A RETURN of the WEEKLY CIRCULATION of the BANK OF ENGLAND from the 29th August 1833, the Date of the Act for the Renewal of the Charter, to the 2d April 1836, the latest period to which the Return has been made to the Stamps and Taxes by the Bank of England.

1833:	£.	1834:	£.	1834:	£.	1835:	£.
Aug. 31	19,629,721	April 26	19,111,641	Dec. 27	16,966,384	Aug. 22	17,859,782
Sept. 7	19,141,555	May 3	19,307,871	1835:		– 29	17,781,872
– 14	18,976,189	– 10	18,997,739	Jan. 3	17,121,014	Sept. 5	17,447,694
– 21	18,506,522	– 17	18,984,106	– 10	19,026,685	– 12	17,294,385
– 28	18,400,017	– 24	18,785,897	– 17	19,268,232	– 19	17,232,917
Oct. 5	18,547,232	– 31	18,835,792	– 24	19,040,737	– 26	17,297,265
– 12	18,351,462	June 7	18,717,590	– 31	19,406,116	Oct. 3	17,333,226
– 19	18,973,053	– 14	18,159,392	Feb. 7	19,191,070	– 10	17,236,113
– 26	18,829,757	– 21	18,400,771	– 14	18,817,689	– 17	17,851,360
Nov. 2	18,671,682	– 28	18,331,710	– 21	18,608,079	– 24	17,832,357
– 9	18,439,041	July 5	18,419,098	– 28	18,328,686	– 31	17,747,613
– 16	18,069,501	– 12	20,132,986	March 7	18,250,119	Nov. 7	17,526,583
– 23	17,883,320	– 19	19,997,446	– 14	17,964,120	– 14	17,372,963
– 30	17,608,771	– 26	19,661,870	– 21	17,693,016	– 21	17,092,728
Dec. 7	17,095,217	Aug. 2	19,626,288	– 28	17,907,131	– 28	16,987,795
– 14	17,101,519	– 9	19,154,100	April 4	18,023,589	Dec. 5	16,677,432
– 21	17,150,285	– 16	18,973,901	– 11	18,830,473	– 12	16,655,471
– 28	17,732,633	– 23	18,856,562	– 18	19,225,035	– 19	16,493,788
1834:		– 30	18,839,698	– 25	19,345,277	– 26	16,834,388
Jan. 4	17,112,937	Sept. 6	18,638,289	May 2	18,869,233	1836:	
– 11	19,466,937	– 13	18,253,553	– 9	18,684,984	Jan. 2	17,128,474
– 18	19,826,738	– 20	17,973,715	– 16	18,382,321	– 9	18,174,135
– 25	19,683,714	– 27	17,917,585	– 23	18,178,958	– 16	18,286,151
Feb. 1	19,804,978	Oct. 4	18,251,918	– 30	18,781,807	– 23	18,472,083
– 8	19,536,476	– 11	18,261,663	June 6	17,931,599	– 30	18,319,968
– 15	19,433,087	– 18	19,359,708	– 13	17,559,672	Feb. 6	18,105,137
– 22	19,149,538	– 25	19,112,512	– 20	17,408,205	– 13	18,230,126
March 1	19,091,733	Nov. 1	19,046,868	– 27	17,410,640	– 20	18,197,719
– 8	18,670,677	– 8	18,546,946	July 4	17,550,953	– 27	17,962,702
– 15	18,300,517	– 15	18,091,960	– 11	19,302,842	March 5	17,981,134
– 22	18,404,038	– 22	17,894,830	– 18	19,619,630	– 12	17,774,165
– 29	18,433,785	– 29	17,649,830	– 25	19,518,510	– 19	17,602,299
April 5	18,095,925	Dec. 6	17,559,291	Aug. 1	19,367,424	– 26	17,622,084
– 12	18,958,781	– 13	17,281,330	– 8	18,569,697	April 2	18,109,641
– 19	19,064,620	– 20	17,067,192	– 15	18,306,071		

Accountant and Comptroller-General's Office, Stamps and Taxes, 21 February 1837.

Thomas Lightfoot, A. & C. G.

— No. 4. —

No. 4. Circulation of Joint Stock Banks.

CIRCULATION of JOINT STOCK BANKS:—From Returns directed by 3 & 4 Will. IV. c. 83.

BANKS.	26 March to 25 June 1836.	25 June to 24 Sept. 1836.	24 September to 31 Dec. 1836.
	£.	£.	£.
Ashton, Staleybridge, Hyde and Glossop Bank	—	—	—
Bank of Birmingham	25,078	24,779	22,379
Bank of Liverpool	—	—	—
Bank of Manchester	161,790	162,470	136,366
Bank of Westmorland	27,726	24,395	21,376
Barnsley Banking Company	10,105	7,839	8,247
Birmingham Banking Company	—	—	—
Bradford Banking Company	37,854	40,715	33,019
Bradford Commercial Joint Stock Banking Company	24,072	28,600	20,575
Bank of South Wales	5,628	7,123	6,560
Bank of Walsall	15,615	18,333	16,680
Bank of Stockport	—	—	—
Bolton Joint Stock Banking Company		5,501	—
Bury Banking Company		457	8,256
Bilston District Banking Company			9,706
Chesterfield and North Derbyshire Banking Company	18,591	17,215	16,255
Cumberland Union Banking Company	37,897	33,090	36,870
Cheltenham and Gloucestershire Bank	1,591	7,401	9,555
Commercial Bank of England	109,689	111,640	113,527
Coventry and Warwickshire Banking Company	28,465	28,343	31,225
Coventry Union Banking Company		8,558	18,439
County of Gloucester Banking Company		47,599	87,424
Carlisle and Cumberland Banking Company			6,997
Dudley and West Bromwich Banking Company	33,653	39,702	42,030
Derby and Derbyshire Banking Company	26,688	25,336	27,656
Darlington District Joint Stock Banking Company	81,730	71,385	73,285
Devon and Cornwall Banking Company	72,578	90,051	110,762
East of England Bank	53,926	69,508	84,574
Gloucestershire Banking Company	141,445	132,040	76,132

— IV. — Miscellaneous.

No. 4. Circulation of Joint Stock Banks.

BANKS.	26 March to 25 June 1836.	25 June to 24 Sept. 1836.	24 September to 31 Dec. 1836.
	£.	£.	£.
Gloucester County and City Bank	—	—	—
Halifax Joint Stock Bank	29,798	29,014	25,395
Huddersfield Banking Company	42,902	39,759	38,580
Hull Banking Company	87,399	77,423	74,960
Hampshire Banking Company	21,901	24,363	26,466
Holywell Bank	11,550	12,400	12,930
Halifax Commercial Banking Company	-	12,966	13,348
Halifax and Huddersfield Union Banking Company	-	31,136	44,549
Helston Banking Company	-	1,471	2,896
Knaresborough and Claro Banking Company	41,155	35,834	37,944
Lancaster Banking Company	56,095	47,105	48,701
Leeds Banking Company	39,579	40,297	34,193
Leicestershire Banking Company	36,454	36,056	36,332
Leith Banking Company	26,549	27,450	24,375
Liverpool Commercial Joint-Stock Banking Company	—	—	—
Lincoln and Lindsay Banking Company	70,661	67,514	67,055
Leamington Priors and Warwickshire Banking Company	28,353	23,681	24,145
Leamington Bank	679	412	287
Leeds and West Riding Banking Company	21,389	46,742	37,695
Liverpool Tradesmen's Bank	—	—	—
Lichfield, Rugeley and Tamworth Banking Company	—	—	—
Liverpool Commercial Banking Company	—	—	—
Liverpool United Trades' Bank	—	—	—
Leeds Commercial Banking Company	-	17,666	21,975
Liverpool Borough Bank	—	—	—
Mirfield and Huddersfield Banking Company	44,058	50,163	Joined West Riding Union Banking Company.
Manchester and Liverpool Banking Company	801	673	616
Manchester and Salford Banking Company	—	—	—
Monmouth and Glamorganshire Banking Company	-	4,180	32,879
Moore & Robinson's Nottinghamshire Banking Company	-	-	22,433
Nottingham and Nottinghamshire Banking Company	62,604	60,637	52,522
North of England Joint Stock Banking Company	106,848	102,365	105,670
Newcastle, Shields and Sunderland Joint Stock Banking Company	-	35,253	58,798
Northern and Central Bank of England	351,557	324,144	305,082
Newcastle Commercial Banking Company	-	2,333	4,372
National Provincial Bank of England	230,785	278,175	329,480
Norfolk and Norwich Joint Stock Banking Company	8,747	4,110	Joined East of England Bank.
North Wilts Banking Company	49,908	52,593	60,152
Northampton Union Bank	3,999	54,940	89,776
Northamptonshire Banking Company	3,413	24,243	33,657
North and South Wales Bank	2,936	25,429	52,358
Northumberland and Durham District Banking Company	—	—	—
Newcastle-on-Tyne Banking Company	-	2,615	3,835
Old Bank, Bristol	107,677	105,272	104,352
Oldham Banking Company	-	-	2,296
Pares's Leicestershire Banking Company	26,258	26,661	30,138
Royal Bank, Liverpool	—	—	—
Saddleworth Banking Company	21,947	27,436	20,790
Sheffield Banking Company	40,440	35,834	35,778
Stamford and Spalding Joint Stock Banking Company	69,361	58,186	68,748
Stuckey's Banking Company, Bristol and Somerset Bank and Somerset Bank	291,583	286,258	289,070
Shropshire Banking Company	10,916	34,256	50,509
Stourbridge and Kidderminster Banking Company	65,772	65,942	67,167
Sheffield and Hallamshire Banking Company	907	13,213	18,771
South Lancashire Bank	—	—	—
Sheffield and Rotherham Banking Company	-	40,210	48,295
Union Bank, Manchester	—	—	—
Union Bank, Liverpool	—	—	—
Wolverhampton and Staffordshire Banking Company	51,683	54,994	51,228
Wakefield Banking Company	13,236	12,323	10,950
Whitehaven Joint Stock Banking Company	49,503	42,676	42,331
Warwick and Leamington Banking Company	46,857	42,061	43,505
West of England and South Wales District Bank	68,493	72,518	76,405
Wilts and Dorset Banking Company	50,009	58,553	74,976
Western District Banking Company	-	5,047	17,880
West Riding Union Banking Company	-	-	40,360
York Union Banking Company	78,233	73,500	81,090
York City and County Banking Company	95,063	88,462	94,500
Yorkshire District Bank	205,885	220,290	231,483
Yorkshire Agricultural & Commercial Banking Company	-	10,207	16,224
£.	3,583,064	3,969,121	4,258,197

4/35

0.26. y 4

— No. 5. —

AN ACCOUNT of the STAMP DUTY on BILLS of EXCHANGE in *Great Britain*, distinguishing the Number and Amount of each Rate from 1828 to 1836.

Rates of Duty.	1828.		1829.		1830.		1831.		1832.		1833.		1834.		1835.		1836.	
	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.	Number.	Amount.
s. d.		£. *s. d.*		£. *s. d.*		£. *s. d.*		£. *s. d.*		£. *s. d.*		£. *s. d.*		£. *s. d.*		£. *s. d.*		£. *s. d.*
1 –	56,653	2,832 13 2	57,367	2,868 7 –	55,674	2,783 14 –	58,608	2,930 8 –	54,278	2,713 18 –	60,045	3,002 5 –	52,521	2,626 1 –	53,892	2,694 12 –	57,303	2,865 3 –
1 6	455,720	34,179 1 –	456,575	34,243 2 6	441,057	33,079 5 6	419,154	31,436 11 2	397,830	29,837 5 6	395,793	29,684 10 6	361,918	27,143 17 1	376,176	28,213 5 –	388,453	29,133 19 6
2 –	487,904	48,790 8 –	495,272	49,527 4 –	482,025	48,202 10 –	462,276	46,227 13 –	453,187	45,318 14 –	451,293	45,129 7 –	428,285	42,828 10 –	433,533	43,343 3 –	446,620	44,662 – –
2 6	483,928	60,491 – 6	472,266	59,033 6 –	439,151	54,893 17 6	438,153	54,769 3 6	419,853	52,481 13 –	423,252	52,906 12 3	395,799	49,474 18 6	409,920	51,240 – –	426,190	53,273 16 6
3 –	9,608	1,441 4 –	10,362	1,554 7 –	10,889	1,633 9 –	10,026	1,503 19 –	9,711	1,456 14 –	10,611	1,591 15 –	9,665	1,449 15 –	12,411	1,861 15 –	11,356	1,703 8 –
3 6	482,644	84,462 16 6	464,013	81,202 5 6	437,841	76,622 4 –	439,506	76,913 12 6	420,799	73,639 17 –	427,922	74,886 7 6	404,625	70,809 10 6	423,815	74,167 12 –	449,062	78,585 19 6
4 –	18,065	3,613 – –	19,777	3,955 8 –	19,964	3,992 18 –	17,212	3,442 11 –	18,434	3,686 16 –	16,361	3,272 4 –	15,940	3,788 – –	22,375	4,475 – –	26,144	5,228 16 –
4 6	375,992	84,598 6 6	361,509	81,339 10 6	344,684	77,553 18 –	351,629	79,116 10 10	338,724	76,212 19 –	353,572	79,553 17 –	345,257	77,682 19 –	356,051	80,111 10 –	389,092	87,545 15 6
5 –	232,791	58,197 15 –	223,021	55,755 7 –	210,845	52,711 5 –	219,124	54,781 – –	218,518	52,129 14 –	228,338	57,084 12 –	223,887	55,971 15 –	232,908	58,227 – –	264,174	66,043 10 –
6 –	112,768	33,830 13 –	106,396	31,918 18 –	102,818	30,845 8 –	108,638	32,591 9 –	102,158	30,647 10 –	112,043	33,613 1 –	105,639	31,691 18 –	106,962	32,088 14 –	122,534	36,760 9 –
7 6	806	302 10 –	814	305 12 –	1,169	438 7 6	913	342 7 6	737	276 7 6	1,154	432 15 –	1,472	552 3 6	1,975	740 12 6	2,532	949 12 –
8 6	82,516	35,069 7 6	79,572	33,818 8 –	75,479	32,078 19 6	80,351	34,149 4 6	73,749	31,343 9 –	82,233	34,949 7 6	81,009	34,428 19 6	86,158	36,617 9 –	190,690	42,793 11 –
10 –	169	84 10 –	316	158 – –	240	120 – –	221	110 15 –	266	133 – –	312	156 – –	438	219 – –	623	311 10 –	680	340 – –
12 6	43,532	27,207 11 6	45,651	28,532 3 6	40,391	25,244 12 6	43,734	27,334 5 6	38,145	23,840 12 6	44,025	27,515 16 –	44,556	27,847 10 6	47,673	29,795 5 6	59,543	37,214 15 –
15 –	14,940	11,205 – –	15,294	11,471 – –	14,067	10,550 10 –	14,922	11,191 10 –	13,433	10,075 – –	17,375	13,031 15 –	16,809	12,607 – –	19,284	14,463 14 –	26,059	19,544 6 –
25	5,162	6,453 5 –	4,782	5,978 10 –	4,298	5,372 10 –	4,422	5,528 10 –	4,458	5,572 10 –	5,482	6,853 – –	4,684	5,855 10 –	5,316	6,645 10 –	7,687	9,608 15 –
30 –	1,740	2,610 – –	1,536	2,304 – –	1,592	2,388 – –	1,677	2,515 10 –	1,668	2,502 – –	1,947	2,920 10 –	2,380	3,570 – –	2,928	4,393 – –	4,712	7,068 – –
Undistinguished	– – –		– –	– – –	– –	– – –	– –	4,190 18 –	– –	– – –	– –	– – –	– –	16 17 6	– –	– – –	– –	4,000 – –
	£.	495,367 4 8		483,965 9 –		458,511 8 6		469,075 18 6		441,867 19 6		466,583 14 9		448,564 5 1		469,389 12 –		523,321 16 –

Note.—The Produce of the several Rates of Duty was not distinguished in the Country Distributors' Accounts prior to 1828.

Accountant and Comptroller General's Office,
Stamps and Taxes,
17 February 1837.

— IV. —
Miscellaneous.

— No. 6. —

No. 6.
Notes of Private and Joint Stock Banks in Circulation.

AN ACCOUNT of the Aggregate Amount of NOTES circulated in *England* and *Wales*, by PRIVATE BANKS, and by JOINT STOCK BANKS and their BRANCHES, distinguishing Private from Joint Stock Banks.

(From Returns directed by 3 & 4 Will. IV. c. 83.)

QUARTERS ENDING	PRIVATE BANKS.	JOINT STOCK BANKS.	TOTAL.
	£.	£.	£.
28 December 1833	8,836,803	1,315,301	10,152,104
29 March - 1834	8,733,400	1,458,427	10,191,827
28 June - -	8,875,795	1,642,887	10,518,682
27 September -	8,370,423	1,783,689	10,154,112
28 December -	8,537,655	2,122,173	10,659,828
28 March - 1835	8,231,206	2,188,954	10,420,160
27 June - - -	8,455,114	2,484,687	10,939,801
26 September -	7,912,587	2,508,036	10,420,623
26 December -	8,334,863	2,799,551	11,134,414
26 March - 1836	8,353,894	3,094,025	11,447,919
25 June - -	8,614,132	3,588,064	12,202,196
24 September -	7,764,824	3,969,121	11,733,945
31 December -	7,753,500	4,258,197	12,011,697

Stamps and Taxes,
18 February 1837.

John Wood.

— No. 7. —

STAMPS: IRELAND.

No. 7.
Unstamped Promissory Notes in Circulation in Ireland, on which Composition paid.

A RETURN showing the Average Amount of the Circulation of UNSTAMPED PROMISSORY NOTES on which Composition in lieu of Stamp Duty has been paid by the several Banking Establishments in Ireland, for the Half-year ended 31st December 1836.

BANKING ESTABLISHMENTS.	Amount of Circulation.
	£.
The National Bank of Ireland	241,100
Limerick - ditto	56,200
Clonmell - ditto	54,700
Carrick-on-Suir ditto	30,400
Waterford - ditto	69,300
Wexford and Enniscorthy ditto	31,300
Tipperary - ditto	72,500
Tralee - - ditto	28,200
TOTAL of the NATIONAL BANKS of IRELAND	583,700
The Agricultural and Commercial Bank of Ireland	341,400
Belfast Banking Company	249,000
Northern - ditto - of Belfast	175,700
Ulster - ditto - ditto	106,200
Provincial Bank of Ireland	769,600
TOTAL of the JOINT STOCK BANKS	2,225,600
Sir Robert Shaw, Bart. & Co. of Dublin	3,700
Messrs. Ball, Plunkett & Doyne, ditto	16,500
TOTAL £.	2,245,800

Dublin,
11 February 1837.

J. S. Cooper,
Comptroller and Accountant-General.

— No. 8. —

STAMPS: IRELAND.

A RETURN showing the Average Amount of the Circulation of Unstamped Promissory Notes, on which Composition in lieu of Stamp Duty has been paid (pursuant to the Act of 9 Geo. 4, c. 80,) by the several Banking Establishments in *Ireland*, for each Half Year, from the commencement thereof, to the 31st December 1836.

BANKING ESTABLISHMENTS.	1829.		1830.		1831.		1832.		1833.		1834.		1835.		1836.	
	Half Year to		Half Year to		Half Year to		Half Year to		Half Year to		Half Year to		Half Year to		Half Year to	
	June.	December	June.	December	June.	December	June.	December.	June.	December.	June.	December.	June.	December.	June.	December.
	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.	£.
The Provincial Bank of Ireland	141,600	375,000	590,200	689,500	749,500	847,200	1,036,100	1,008,100	995,700	952,700	1,083,600	1,058,800	1,145,900	966,700	966,100	769,600
Sir Robert Shaw, Bart., & Co.	3,900	6,400	6,900	7,300	10,400	8,800	7,500	7,100	8,400	8,000	7,900	8,600	7,300	6,400	6,600	3,700
Messrs. Ball, Plunkett & Doyne	-	-	1,900	17,600	23,000	26,000	30,300	23,500	27,600	28,100	25,000	21,300	18,600	17,700	19,400	16,500
Messrs. Gibbons & Williams	-	-	-	-	-	-	-	-	-	3,500	1,300	3,000	—	—	—	—
The Belfast Banking Company	-	-	-	-	-	-	-	-	-	40,300	138,900	166,000	258,600	272,100	328,100	249,000
The Northern - ditto	-	-	-	-	-	-	-	-	-	6,600	46,900	57,600	133,600	161,500	229,000	175,700
The Ulster - ditto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	106,200
The Agricultural and Commercial Bank of Ireland	-	-	-	-	-	-	-	-	-	-	-	900	22,100	92,300	240,400	341,400
The National Bank of Ireland	-	-	-	-	-	-	-	-	-	-	-	-	31,200	157,500	368,300	241,100
The Limerick National Bank	-	-	-	-	-	-	-	-	-	-	-	-	-	39,700	66,300	56,200
The Clonmel - - ditto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	10,900	54,700
The Carrick-on-Suir - ditto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,900	30,400
The Waterford - - ditto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	14,100	69,300
The Wexford and Enniscorthy - - - ditto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	6,400	31,300
The Tipperary - - ditto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	25,100	72,500
The Tralee - - - ditto	-	-	-	-	-	-	-	-	-	-	-	-	-	-	4,900	28,200
£.	145,500	381,400	599,000	714,400	782,900	882,000	1,073,900	1,038,700	1,031,700	1,039,200	1,303,600	1,316,200	1 617 ,300	1,713,900	2,291,500	2,245,800

Stamp Office, Dublin, 2 March 1837.

J. S. Cooper,
Comptroller and Accountant General.

— IV. —
Miscellaneous.

No. 9.
Letter from C. Copland, Esq. Manager of the Royal Bank of Ireland.

— No. 9. —

LETTER from *Charles Copland*, Esq., Manager of the Royal Bank of Ireland.

Royal Bank of Ireland, Dublin, 15 May 1837.

To the Right Honourable the Chancellor of the Exchequer.

Sir,—The inquiry now going on with respect to the system of joint stock banks, and the new legislative enactment in regard to the charter of the Bank of Ireland, which, it is presumed, is under the contemplation of the Government, combine to render the present period, in the view of the directors of this company, the proper one to bring under your notice certain disadvantages which it labours under in carrying on the business of general banking.

The Act of the 6 Geo. 4, c. 42, having reference only to banking societies in operation beyond the circle of 50 miles from Dublin, this company cannot avail themselves of the advantage granted by that Act, of suing and being sued by a public officer, but are obliged to have recourse to a cumbrous and circuitous process, through trustees nominated by their deed, in every case requiring legal intervention.

The possession of this right is so manifestly necessary for the well-being of every establishment, and the interdiction of it not being defensible on any public grounds, the directors conceive that no opposition to its concession can exist in any quarter.

The other material disability lies in not having the power to draw or accept bills of exchange at any date or sight less than six months.

The acquirement of this privilege is obviously important to enable any bank to work with effect either for its private advantage or for the public good. Its non-possession unfits a bank from performing two very material functions in banking operations, namely, the transmission of mercantile or other payments to distant places by drawing bills of exchange; and, on the other hand, being the medium, by the power to accept bills, of the remittance of money from other places.

It is humbly conceived that from the reasons adduced for the granting of the privileges claimed, and from the fact that their concession could not militate against the principle of preserving to the present chartered bank the exclusive right to the issue of notes payable to bearer on demand, a privilege which, from its enlarged nature, and its important bearing on the general currency of the country, it may possibly be the desire of the Government to keep within its present limits, there can be no valid objection to them.

The directors of the Royal Bank, therefore, respectfully submit, that in any new legislative enactment on the subject of banking in Ireland, the Act of the 6 Geo. 4, c. 42, be considered, with a view to its amendment, so as to open to banks of more than six partners, having houses of business in Dublin or within 50 miles thereof,

1. The power of suing and being sued by a public officer duly registered for the purpose.
2. The right of drawing and accepting bills of exchange, wherever payable, at any term after date or sight; and, generally, to perform every other act of banking business, save and except the right of issuing notes payable to bearer on demand.

It may be proper to add that the directors of this establishment do not contemplate, even supposing the power thrown open, the issuing of notes payable to bearer on demand.

I have, &c.

Charles Copland, Manager.

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Agricultural and Commercial Bank. [1837.] Period of its commencing business, *Dwyer* 2462–2465——Amount of its nominal capital, and of its original shares, *Dwyer* 2468–2473——Amount of its paid-up capital at its commencement, *Dwyer* 2474–2487—— Imperative that managers of the Agricultural and Commercial Bank should take shares as a qualification for office, *Dwyer* 2492——Amount of shares managers were declared to hold by deed of settlement, *Dwyer* 2497. 2507——Number of persons that ultimately signed the deed of settlement, *Dwyer* 2595——Refusal to cash small notes or discount for others than shareholders was only adopted in the early stages of the bank's commencing

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Agricultural Distress. [1836.] Great deal more said about it than is actually true, *Martin* 2361. 2376.

Agricultural Produce. [1837.] Transfer of agricultural produce very often gives rise to the local bills discounted by the branch banks in Ireland, *Marshall* 4418.

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1. *Northern and Central Bank.*
2. *Agricultural and Commercial Bank.*

1. *Northern and Central Bank:*

[1837.] Cause of Mr. Braidley waiting on the Bank of England to seek assistance for the Northern and Central Bank, *Moult* 32–35, *Evans* 1138–1142, *Braidley* 1444——Nature of the hint put forth previous to Mr. Braidley's application to the Bank of England for assistance for the Northern and Central Bank, *Moult* 826——Copy of letter soliciting assistance for the Northern and Central Bank from the Bank of England, *Evans* 1171, *Braidley* 1482——No objection urged by Mr. Evans to signing the letter, *Braidley* 1479——Particulars respecting the interview of Mr. Braidley, in conjunction with Mr. Barnett and Mr. Evans, with the Bank directors, on the occasion of first soliciting assistance for the Northern and Central Bank, *Evans* 1149, *Braidley* 1447–1474, *Freshfield* 1831–1839——Nature of the discussion that took place upon the first application of the Northern and Central Bank for assistance to the Bank of England, *Freshfield* 1870–1872——Object of the Bank of England in rendering assistance to the Northern and Central Bank, *Moult* 821–825.

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2. *Agricultural and Commercial Bank:*

[1837.] Application made by the Agricultural and Commercial Bank to the Bank of England for assistance; Mr. Pattison's (the governor) refusal to make them any advance, *Dwyer* 3059–3064——Application was made by the Agricultural Bank to several private London bankers for assistance, but without success, *Dwyer* 3064——Names of the English and Scotch banking establishments that the Agricultural Bank had in vain applied to for assistance previous to its stoppage, *Dwyer* 2904–2906. 3042——Application made by them to the Northern and Central Bank, *Dwyer* 2904——Particulars of the application made by the Agricultural and Commercial Bank to the Bank of Ireland for assistance, and terms upon which granted, *Dwyer* 2886–2890, *Gresham* 3231, 3232——Account of the application of the Agricultural and Commercial Bank for assistance to the Bank of Ireland in September 1836, and refusal to render any, *Dwyer* 3123——Reason they objected to the bills offered them by the Agricultural and Commercial Bank, *Dwyer* 3124–3128.

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Arbitration. [1837.] Clause of the Agricultural Bank as regards submitting disputes of the company to the arbitration of counsel, *Mahony* 3829——No power of enforcing that clause except by a bill in equity, *Mahony* 3861–3865.

Ashton, Stalybridge, Hyde, and Glossop Bank. [1837.] Number of shares and nominal value of each share; amount of its nominal and paid-up capital; number of shares issued; date of call and amount of instalment; number of signatures to deed of settlement; rate of interest on deposits, &c., *App. p.* 45.

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[1836.] No provision made by law for the publication of the assets and liabilities of joint stock banks, *Rep. p.* xi.——Norwich and Norfolk Joint Stock Bank never submitted their assets and liabilities to the proprietors at their annual meeting, *Gilbert* 144, 145——Inquiry could be made into the principles of banking without considering the assets and liabilities of a banking establishment, *Burdekin* 36——Banks could not reasonably object to define their securities in making a return of their assets and liabilities, *Stuckey* 1412——Solvency of a banking establishment could not be ascertained by the publication of assets without the securities were investigated, *Amery* 661.

[1837.] Account made up every week of the amount of the liabilities at every branch of the Provincial Bank, and provision that is made to meet them, *Marshall* 4571——Forgeries and bad debts were all returned as assets in the accounts of the Agricultural Bank, *Dundas* 4253, 4254.

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[1836.] Power given by deeds of settlement for the appointment of auditors and inspectors, *Rep. p.* vi——Proprietors of the North of England Bank have the power of appointing auditors, but never exercise it, *Austin* 2148——Appointment of auditors by shareholders would be a safeguard against any improper or improvident act on the part of a bank, *Stuckey* 1518——Appointment of auditors by the shareholders to inspect the accounts submitted by the directors would be very desirable, *Amery* 654, 655, *Austin* 2153, p. 130——Limiting the inspection of accounts to auditors should not be in the deed of settlement, but at the option of the shareholders, *Gurney* 2540——Appointing them from the proprietary to inspect the banking accounts would create great jealousy, and be exceedingly objectionable, *James* 848, 849.

[1837.] Appointment of auditors to inspect the balance sheets of joint stock banks recommended, *Goodier* 3545–3548——Shareholders should have power to appoint auditors in any case where the accounts were suspected to be falsified, *Gilbart* 2186——Proprietors of joint stock companies should have power to appoint auditors a reasonable time before every half-yearly meeting, to examine and report upon the accounts, *Mahony* 3973——Deed of settlement of the Provincial Bank provides for the appointment of auditors, should a certain number of proprietors call for a further investigation of the accounts, *Marshall* 4531——Steps taken with respect to the appointment of auditors by the Agricultural and Commercial Bank, *Dwyer* 2911–2938——Proprietors of the Agricultural Bank have no power to enforce the appointment of auditors except by a bill in Equity, *Mahony* 3860——Shareholders of the Northern and Central Bank never appointed auditors to examine the books, or to see that the details submitted by the directors were correct, *Lyle* 1825–1829.

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Auditors' Report. [1837.] Copy of the auditors' report of the Agricultural and Commercial Bank, *App. p.* 104——No reason to doubt the report of the auditors of the Agricultural Bank as made in the first instance, *Goodier* 3367-3370——Remarks on the auditors' report of the Agricultural and Commercial Bank, *App. p.* 114——Adjustment of the auditors' report on the balance-sheet of the Agricultural and Commercial Bank, up to 25th February 1837, *Dwyer* 3174, *p.* 195, *App. p.* 116.

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Austin, General. [1836.] (Analysis of his Evidence.)—Managing director of the North of England Joint Stock Banking Company, 1899–1901——Number of directors in the North of England Bank, and cause of their being reduced, 1905——Origin of the bank; cause of the directors being selected from persons out of business, 1910——Number and value of the shares; amount of paid-up capital, 1914——Premium derived from the reserved shares placed to the guarantee fund to meet any losses that may occur, 1915——Reserved shares only given out to persons residing in the neighbourhood of the bank for the purpose of promoting business, 1920, 1921——Number of reserved shares at present on hand, 1918——Examination respecting the purchase and sale of shares by directors of joint stock banks, 1922–1930.

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Clause in the deed of settlement relative to the guarantee fund, and obligations imposed on the directors, 2063, 2064——The bank has been so unprofitable to the shareholders, that it would be difficult to get them to consent to pay up a further call, 2065——Deed of settlement does not admit of a call being made by the directors without the sanction of the majority of the proprietors, 2066, 2067——Penalty attached to the non-payment of calls when made, 2072–2077——Means of the company for enforcing payment of calls by deed of settlement, 2072——Cause of inserting in the deed of settlement the power of any individual shareholder to propose the dissolution of the company, 2086——Perfectly understood by the shareholders that their property is liable to make good any deficiency the bank may meet with previous to its dissolution, 2089.

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B.

Bad Debts:

1. *Generally.*
2. *Norwich and Norfolk Joint Stock Bank.*
3. *Somersetshire Banking Company.*
4. *Stourbridge and Kidderminster Bank.*
5. *Northern and Central Bank.*
6. *Agricultural and Commercial Bank.*
7. *Provincial Bank of Ireland.*

1. *Generally:*

[1836.] Manner in which bad debts should be accounted for in making a return of assets and liabilities, *James* 805–808. 815, 816——All bad debts should be accurately set forth in the periodical accounts, *Gurney* 2548——Great tendency in bankers to endeavour to conceal their difficulties from themselves, from the manner of accounting for bad debts, *James* 817–825.

2. *Norwich and Norfolk Joint Stock Bank:*

[1836.] Particulars respecting the bad debts of the Norwich and Norfolk Joint Stock Bank incurred at the time the first dividend was made, *Nimmo* 309–336——Bad debts of the Norwich and Norfolk Joint Stock Bank never considered in making out a balance-sheet

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sheet for the purpose of declaring a dividend, *Gilbert* 175–181——Bad and doubtful debts of the Norwich and Norfolk Bank were written into the doubtful debt account before the balance was struck, *Bignold* 2720–2726.

3. *Somersetshire Banking Company:*

[1836.] All bad debts of the Somersetshire Banking Company are taken into account before the balance is made up, *Stuckey* 1513.

4. *Stourbridge and Kidderminster Bank:*

[1836.] Practice adopted by the Stourbridge and Kidderminster Bank in writing off their bad debts, *Amery* 662–664.

5. *Northern and Central Bank:*

[1837.] Mode of allowing for bad debts by the Northern and Central Bank when declaring a dividend, *Lyle* 1793–1807——Not customary to state the amount of bad debts incurred to the proprietors of the Northern and Central Bank at their annual meeting, *Lyle* 1817, 1818——Proportion of the capital of the Northern and Central Bank supposed to be lost by bad debts since the commencement of its difficulties, *Moult* 149–153——Amount of the total loss of the Northern and Central Bank by bad debts, *Moult* 164–166. 191–196, *Lyle* 1807——Directors in estimating the bad debts did not take off the over-due bills, *Lyle* 1805——Northern and Central Bank were notorious for making fewer bad debts than any other bank, *Moult* 854. 948.

6. *Agricultural and Commercial Bank:*

[1837.] Manner in which they were accounted for in the balance-sheet of the Agricultural and Commercial Bank, *Dwyer* 2621–2626——No notice taken of them at the branch banks, they being all submitted to the Agricultural Bank's head office, *Crosse* 3695, 3696.

7. *Provincial Bank of Ireland:*

[1837.] Steps taken by the Provincial Bank to ascertain and write off all bad and doubtful debts previous to the declaration of a dividend, *Marshall* 4518–4530——Directors of the Provincial Bank would not refuse any information to the proprietors as to the bad and doubtful debts, or to the amount owing to the bank by any individual, *Marshall* 4534.

See also *Assets and Liabilities. Birmingham Banking Company. Boyle Branch Bank. Dividends. Losses. Norwich and Norfolk Joint Stock Bank. Undivided Profit Account.*

Bagot, Mr. *John James.* [1837.] A director and member of the consulting committee of the Agricultural Bank without signing the deed or paying for his shares, *Dwyer* 2584–2590.

Bailey, Wallace & Sons, Messrs. [1837.] Letter from them to Mr. Dwyer relative to the number of declarations filed, and number of persons in gaol at the suit of the Agricultural and Commercial Bank, *Dwyer* 3077——Letter from them refuting the charge made against witness of having made his situation in the bank subservient to his advantage as a barrister, *Dwyer* 3077, *p.* 184.

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1. *Generally.*
2. *Norwich and Norfolk Joint Stock Bank.*
3. *National Provincial Bank.*
4. *Northern and Central Bank.*
5. *Provincial Bank of Ireland.*
6. *Agricultural and Commercial Bank.*

1. *Generally:*

[1836.] Nature of the provision made in deeds of settlement for laying a balance-sheet before the proprietors, *Rep. p.* vii.——Inspection of the balance-sheet of joint stock banks by the proprietors strongly recommended, *Rep. p.* x.——The law does not enforce the production of a balance-sheet to the proprietors of joint stock banks, *Rep. p.* ix.——Desirable that proprietors should have the means of ascertaining the principle upon which a balance-sheet is struck, *Stuckey* 1511——Form of return recommended to be made by the directors and officers of the assets and liabilities of joint stock banks, *Martin* 2411–2414.

[1837.] Not possible to frame a balance-sheet giving the true state of a banking company's affairs, if there is anything the managers wish to conceal, *Gilbart* 2146. 2183——Manner in which they might be falsified in making returns of the assets and liabilities, *Gilbart* 2144. 2173. 2183——Not possible to falsify balance-sheets, should the inspectors do their duty, *Gilbart* 2180–2182——Directors should not be required to produce a balance-sheet when declaring a dividend unless at the express desire of the shareholders, *Gilbart* 2185——All statements of accounts should be signed by

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Balance Sheets—1. *Generally*—continued.

by the officers and directors of the bank previous to being submitted to the shareholders, *Martin* 2432——The Treasury or some public officer should inspect the reports and balance sheets after they had been submitted to and signed by the auditors, *Austin* 2152, *p.* 130.

2. *Norwich and Norfolk Joint Stock Bank:*

[1836.] Manner in which the directors evaded the production of a balance sheet when required by the proprietors of the Norwich and Norfolk Joint Stock Bank, *Gilbart* 274, 275.

3. *National Provincial Bank:*

[1836.] Description of account of assets and liabilities made up by the National Provincial Bank previous to the declaration of a dividend, *Robertson* 2868.

4. *Northern and Central Bank:*

[1837.] Evidence respecting the balance sheets of the Northern and Central Bank submitted to the Bank of England upon the former applying for assistance, *Moult* 626–638. 647–650.

5. *Provincial Bank of Ireland:*

[1837.] Nature of the accounts communicated in the balance sheets of the Provincial Bank at the time of declaring a dividend, *Marshall* 4529.

6. *Agricultural and Commercial Bank:*

[1837.] Copy of the balance sheet of the Agricultural and Commercial Bank of the 17th Oct. 1836, *Dwyer* 2631, *p.* 151, *Mahony* 3968, *p.* 252, 253——Balance sheet of the Agricultural and Commercial Bank, according to the Dublin books of the 31st Dec. 1835, *Dundas* 4164, *p.* 270–272——Evidence respecting that submitted to the shareholders of the Agricultural and Commercial Bank at the period of declaring the first dividend, *Dwyer* 2610–2631——Manner in which the various items therein arise, *Dwyer* 2687–2699——Explanation relative to the balance sheets of the Agricultural Bank of 1835 and 1836, and to Mr. M'Kenzie's desire to be freed from the responsibility of the former accountant, *Dundas* 4160–4163, *Mahony* 3969——Mode of accounting for post-due bills and other outstanding securities in the balance sheet of the Agricultural and Commercial, Bank, *Dwyer* 2629——Agricultural and Commercial Bank presented a very excellent balance sheet a few weeks before they stopped payment, *Gilbart* 2132——No faith at all to be placed in the balance sheet of the Agricultural Bank produced at the general meeting, *Goodier* 3457, 3458——Publication of the balance sheet of the Agricultural and Commercial Bank was the proximate cause of the commercial crisis, *Mahony* 4021.

See also *Auditors. Bad Debts*, 2. *Discrepancies in Accounts*, 1. *Mooney*, Mr. *Suspense Accounts.*

Ballina Branch Bank. [1837.] No return made to the Head-office of the Agricultural and Commercial Bank by that branch, for the space of 14 months, *Dundas* 4201, 4202.

Ballinasloe Fair. [1837.] Practice of agents or managers of banks of issue, to attend the great fair held at that place and discount the paper of farmers and others attending thereat, *Marshall* 4371, 4372——Bills at Ballinasloe fair, which are of a very important amount, are uniformly made payable in Dublin upon the salesmen and wool dealers, to whom the produce goes, *Marshall* 4412.

Bank Charter. See *Provincial Bank of Ireland.*

Bank of England:

1. *Generally.*
2. *Their transactions with the Northern and Central Bank.*

1. *Generally:*

[1836.] Amount of circulation, deposits, bullion and securities, from December 1833 to June 1836, *Rep. p.* x——Bank of England discount for joint stock banks one per cent. below the market price, *Gibbins* 1058, 1059——System of the Bank of England advancing money to joint stock banks, at 3 per cent., is not prudent, as tending to encourage speculation, *Stuckey* 1414–1418——Bank of England might prevent any danger by conforming to the market rate of interest on money advanced to joint stock banks, *Stuckey* 1421——Have the power of altering the amount of commercial bills discounted in London at their pleasure, *Martin* 2454——The periodical accounts of the assets and liabilities of the Bank always attended to in regulating the issue of country banks, *Stuckey* 1402–1411——Their publication of assets and liabilities does not concern joint stock banks in conducting their business, *Gibbins* 1291–1305.

Reports, 1836 and 1837—*continued.*

Bank of England—continued.

2. *Their transactions with the Northern and Central Bank:*

[1837.] Reason for supposing it was the object of the Bank of England to crush the Northern and Central Bank, *Moult* 813–821——They alone that refused to discount the paper of the Northern and Central Bank at the time of the pressure, *Braidley* 1437——Their refusing to discount for banks of issue was the cause of the difficulties of the Northern and Central Bank, *Moult* 139——Amount owing by the Northern and Central Bank to the Bank of England, with the amount uncovered, *Moult* 862–872, *Freshfield* 1884, 1885——Progressive statement of advances made by the Bank of England for the Northern and Central Bank, and of securities, *Freshfield* 1889, *p.* 102 ——Amount of bills at present held by the Bank of England of the Northern and Central Bank, *Freshfield* 1888——Proportion of the bills returned unpaid when due, *Freshfield* 1887——Amount for which judgment was given to the Bank of England by the Northern and Central Bank, *Moult* 858——Effect the Bank of England entering up judgment against the Northern and Central Bank has had on the property of the shareholders, *Moult* 855–861——Statement relative to the advances of the Bank of England to the Northern and Central Bank, *App. p.* 155.

See also *Application for Assistance*, 1. *Bank Post Bills. Banks of Deposit. Banks of Issue. Birmingham Banking Company. Branch Banks*, 4. *Bullion. Circulation. Directors of the Bank of England. Discounts. Discrepancies in Accounts*, 1. *Exchanges. Exclusive Privileges. Exportation of Bullion. Grote, Prescott & Co. Interest*, 1. 3. *Loans. London and Westminster Bank. Manchester and Liverpool District Bank. Money Market. Palmer*, Mr. *Horsley. Periodical Returns. Rediscounting Bills of Exchange. Speculation.*

Bank of England Notes. [1837.] Bank of Ireland, during the run in Dublin, charged bankers one-half per cent discount on Bank of England notes, and one-eighth per cent. to their customers. *Mahony* 4074.

See also *Legal Tender of Bank of England Notes. Promissory Notes*, 1.

Bank of Ireland:

1. *Generally.*
2. *Papers laid before the Committee.*

1. *Generally:*

[1837.] Their conduct was extremely liberal during the panic; there were but three banks in Dublin that did not seek assistance from them; namely, Latouche's, Boyle's, and the Provincial Bank, *Mahony* 4098, 4099——Reason why they refused to open an account with the Agricultural Bank, *Dwyer* 2893, 2894——Amount advanced the Agricultural and Commercial Bank by them on the joint security of the Lord Mayor of Dublin and Mr. Gresham, *Dwyer* 2888, 2889——Instance of the notes of the Bank of Ireland issued at Cork selling for a premium from the facility of obtaining gold for them, *Mahony* 3945——Bank of Ireland refuse to take Bank of England notes except in payment of monies received by them on account of the Government, *Mahony* 4065—— Manner in which the supply of bullion would be affected by obliging the Bank of Ireland to receive Bank notes as a legal tender, *Dwyer* 2896–2898——Whole expense of the transmission of gold would fall on the Bank of Ireland were they obliged to receive Bank of England notes as a legal tender, *Mahony* 4068–4070.

2. *Papers laid before the Committee:*

[1837.] Acts of Parliament relating to the rights and privileges of the Governor and Company of the Bank of Ireland, *App. p.* 124——Account of Bank of Ireland notes in circulation; and of all deposits, and of the amount of all securities held by the bank from 1808 to 1836 inclusive, *App. p.* 124–132——An account of the circulation of the Bank of Ireland from 1808 to 1836, *App. p.* 133–138——An account showing the average amount of the circulation of the Bank of Ireland for each year from 1808 to 1836, divided into large notes, small notes and post bills, *App. p.* 138.

Total amount of salaries, gratuities and payments for extra attendance paid to the servants of the Bank of Ireland in Dublin, and at the bank agencies; and of the number of persons to whom the said amount was paid for the year ending 1836, *App. p.* 139 ——Expense of conducting the business of the funded debt in Ireland for the year ending 30th June 1836, *App. p.* 139——An account of the expense of conducting a variety of public business and managing public accounts (exclusive of the funded debt), in the Bank of Ireland, for one year ended 30th June 1836, *App. p.* 140——An account of the expense attending the circulation of Bank of Ireland notes and post bills, both at Dublin and the bank agencies, for the year ending 30th June 1836, exclusive of stamp duty, *App. p.* 140.

An account of the expenses of conducting the general banking business of the Bank of Ireland at Dublin and at the bank agencies, for the year ending 30th June 1836, *App. p.* 141——An account of the expenses of the Bank of Ireland for one year ending 30th June 1836, divided under several heads, *App. p.* 141——An account of the compensation

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Bank of Ireland—2. *Papers laid before the Committee*—continued.

pensation paid by the Bank of Ireland as an exemption from stamping their notes and post bills, *App. p.* 141——An account of the amount of net annual profit of the Bank of Ireland in the years ending 30th June 1833, 1834, 1835 and 1836, out of which interest is to be paid on the capital stock, *App. p.* 142.

An account of the total expenses of the Bank of Ireland for four years ending 30th June 1836, exclusive of dividends on bank stock, amounts paid for stamp duty, and losses sustained by frauds and forgeries of government stock, *App. p.* 142——An account of the profits of the Bank of Ireland, year ending 30th June 1836, stating the description of securities held by the bank, and the sources from which the said profits have arisen, *App. p.* 142——An account of all distributions made by the Bank of Ireland amongst the proprietors of bank stock, including dividends, bonus and increase of capital, from 1783 to 1836, *App. p.* 142.

An account of the variations which have taken place in the amount of the capital of the Bank of Ireland at different periods, *App. p.* 143——An account of the profit and loss of the Bank of Ireland, for four years ending 30th June 1836, *App. p.* 144——An account showing the profit and loss of the Bank of Ireland, for the half-year ending 31st December 1836, *App. p.* 145——A general statement of the assets and liabilities of the Bank of Ireland on 31st December 1836, *App. p.* 145——An account of the average aggregate amount of all public monies in the hands of the Bank of Ireland, each year from 1808 to 1836 inclusive, distinguishing the united balances to credit of Treasury and of suitors in Chancery and Exchequer, *App. p.* 146.

An account of the average aggregate amount of all private deposits in the hands of the Bank of Ireland from 1808 to 1836, distinguishing each year, *App. p.* 147——An account of the average amount of all bills under discount by the Bank of Ireland, each year, from 1808 to 1836, *App. p.* 147——An account of the monthly amount of bills under discount by the Bank of Ireland from 1826 to 1836 inclusive, *App. p.* 147——An account showing the total amount of Dublin, English and Scotch bills discounted in Dublin by the Bank of Ireland during the year 1835; also a monthly average of the same, *App. p.* 148——An account showing the total amount of Dublin, English and Scotch bills discounted in Dublin by the Bank of Ireland during the year 1836; also a monthly average of same, *App. p.* 148.

An account of the annual average loss by bad debts on the discounts of the Bank of Ireland, in Dublin, from 1783 to 1836, *App. p.* 148——An account of the average loss to the Bank of Ireland from frauds and forgeries in the public funds during the last ten years, *App. p.* 148——An account of forgeries of the Bank of Ireland notes, discovered to be forged by presentation for payment or otherwise, during the last four years, *App. p.* 149——An account of the average yearly amounts of Bank of Ireland notes and post bills in circulation; of the deposits, public and private; of the investments in securities; and of the gold and silver coin held by the Bank of Ireland in the years ending 31st December 1832, 1833, 1834, 1835 and 1836, *App. p.* 149.

An account of the average amount of investments in the Government securities held by the Bank of Ireland each year for five years, ending December 1836, *App. p.* 149——An account showing the amount due by Government to the Bank of Ireland for bank capital advanced to Government, and the annual amount and rate of interest received for the same; also the periods of the several advances composing that amount, the terms of their redemption, and the variations in the annual amount, and rate of interest received for same, *App. p.* 150——An account of the amount of the unclaimed and unpaid dividends on Government stock and debentures remaining in the hands of the Bank of Ireland on the last day of each quarter, for ten years ending 4th January 1837, *App. p.* 151——An account showing the amount issued to the Bank of Ireland by Government for payment of interest on the public debt in the year ending 5th January 1837; also the number of dividend warrants issued in payment to the public in the same period, *App. p.* 151.

See also *Actions at Law. Applications for Assistance*, 2. *Bills of Exchange*, 4. *Charters. Exclusive Privileges. Goulburn*, Mr. *Gresham*, Mr. *Legal Tender of Bank of England Notes. Public Revenue of Ireland.*

Bank of Liverpool.—[1836.] Amount of its nominal and paid-up capital; number and value of its shares; date and amount of calls made; rate of dividend, and variations therein; number of signatures to deed of settlement; rate of interest paid on deposits and cash balances; amount of the reserved fund, &c. *App. p.* 227, 228; [1837.] *App. p.* 12, 13.

Bank of Manchester. [1836.] Mode of government adopted thereat, *Burdekin* 9——Objections of the directors of the Bank of Manchester to filling in the answers to the queries submitted by the Chancellor of the Exchequer, *Burdekin* 17–33. 40——Number and situation of branches; amount of nominal and paid-up capital; number and value of shares; dates and amount of the several calls; rate of dividend and variations therein; number of signatures to deed of settlement; places notes and bank post bills made payable at; date of bank post bills issued; rate of interest on deposits, &c., *App. p.* 243; [1837.] *App. p.* 63.——*See* also *List of Shareholders.*

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Bank Post Bills. [1836.] Use and object of them, *Martin* 2441——Distinction between those issued by the Bank of England and joint stock banks, *Cassels* 1854——Reason joint stock banks issuing post bills would be objectionable, *Martin* 2437–2439——Opinion as to substituting them in lieu of notes for joint stock banks, *Amery* 668–677.

Bankers. See *Bad Debts*, 1. *Bills of Exchange*, 1. *Cheques on Bankers.* *Exchequer Bills.* *London Bankers.* *Manchester Bankers.* *Private Bankers.* *Private Fortunes of Bankers.*

Banking:

[1836.] Joint stock system of banking decidedly the safest and the best, *Stuckey* 1494——Suggestions for improving the system of joint stock banks, *Austin* 2129, *Martin* 2431–2435——Banking would never be carried on were its transactions to be limited to its own capital, *James* 857, 858.

[1837.] Difference in the system of banking at Manchester and in Scotland, *Lyle* 1769–1778.——*See* also *Assets and Liabilities.* *Capital.* *Runs upon Banks*, 1.

Bankrupts. [1836.] Bankrupt law not so prompt in enforcing responsibility against the partners in a joint stock bank as in a private bank, *Martin* 2444. 2446.
See also *Cheques on Bankers.*

Banks of Deposit. [1836.] Banks that do not circulate their own paper have a transmission account and a discount account with the Bank of England, *Cassels* 1627.

Banks of Issue. [1837.] Advantages of banks of issue over those issuing Bank of England paper, *Gilbart* 2072–2079——Attention of a bank of issue will be called to the diminution of money in the market much sooner than a bank issuing Bank of England notes, *Gilbart* 2072——Object of the Bank of England refusing to discount for joint stock banks of issue, *Gilbart* 2043——Effect of the resolution of the Bank of England refusing to discount for banks of issue, *Moult* 140–146.
See also *Bank of England*, 1. *Circulation.* *Gloucestershire Banking Company.* *Gold.* *Huskisson*, Mr. *Interest*, 1. *Periodical Returns.* *Publication of Accounts.* *Rediscounting Bills of Exchange.* *Rest.* *Restrictions.*

Barnett, Hoare & Co.:

[1836.] Instance of their refusing to accept certain bills of the Northern and Central Bank, *Cassels* 1859–1864——Date of the bills and not the amount that was objected to by them, *Cassels* 1865.

[1837.] Nature of the arrangement between them and the Northern and Central Bank, *Moult* 964.——*See* also *Parish & Co.*

Barnsley Banking Company. [1836.] Amount of nominal and paid-up capital, number and value of shares, number issued; date and amount of calls; rate of dividend and variation therein; number of signatures to deed of settlement; number of reserved shares; rate of interest on deposits, &c.; *App. p.* 223, 224; [1837] *App. p.* 37.

Batho & Bingley. [1837.] Amount due to them from the Agricultural and Commercial Bank for stationery and printing, *Dundas* 4232, 4233.

Batley, Mr. [1836.] Particulars respecting the transactions between him and the Norwich and Norfolk Joint Stock Bank, and manner in which the bank was deceived as to Mr. B.'s character by a rival establishment, *Nimmo* 385–390, *Bignold* 2659–2681. 2748–2752——Every proprietor was aware that 25 per cent. of the capital of the Norwich and Norfolk Joint Stock Bank was lost after Batley's failure, *Bignold* 2776.

Baylee, Mr. [1837.] Case of his borrowing money of the Agricultural and Commercial Bank as manager of the Kilkenny Branch, *Goodier* 3376–3381.

Beale, Mr. [1837.] Instance of the Agricultural and Commercial Bank re-purchasing his shares of him, and loss thay sustained in consequence, *Dwyer* 3098–3100.
See also *Agricultural and Commercial Bank.*

Belfast Banking Company. [1837.] Amount of nominal capital, number of shares and nominal value of them; number of shares issued; amount of paid-up capital; rate of interest on deposits; number of signatures to deed of settlement, &c. *App. p.* 79.

Belfast Branch Bank. [1837.] Extract from the report of the Agricultural Bank relative to the opening a branch at Belfast, *Dwyer* 2631, *p.* 149——Nearly 500 subscribers to that branch of the Agricultural Bank; majority were of the poorer classes, *Dundas* 4131——Business of the bank was conducted by witness as manager and three local directors, *Dundas* 4138——Manager at that branch had no veto upon the directors, *Dundas* 4139–4142——Evidence as to the constitution of the bank, and control exercised over it by the local directors, *Dundas* 4138–4143——Instance of a coach porter and a street constable at that branch withdrawing their money from the savings' bank and investing it in shares of the Agricultural and Commercial Bank, *Dundas* 4143——Inconvenience at that branch from not being able to procure a copy of the Agricultural Bank's deed of settlement,

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settlement, *Dundas* 4155–4157——Rendered assistance during the run upon the Agricultural Bank to the branch banks at Dungannon, Enniskillen, Clones and Cavan, and left itself with only 500 *l.* in gold to conduct the bank, *Dundas* 4194–4196——No small bills taken at that branch, *Dundas* 4179——Belfast branch of the Agricultural and Commercial Bank, intended to give an independence to that branch distinct from the parent bank in Dublin, *Mahony* 3956——Part taken by the shareholders of that branch at the meeting of the Agricultural and Commercial Bank subsequent to its stoppage, *Dwyer* 2916. 2934–2941.

See also *Calls upon Shares. Cordukes*, Mr. *Dundas*, Mr. *Emerson*, Mr. *Paid-up Capital*, 2. *Sloane*, Mr.

Bell, Mr. [1837.] Cause of the board of directors of the Agricultural and Commercial Bank opposing his appointment as an auditor, *Dwyer* 2916, 2917.

Bell, Mr. *Thomas*, jun., of Belfast. [1837.] Instance of the Agricultural and Commercial Bank re-purchasing his stock, and their object in doing so, *Dwyer* 3101–3109.

Bennett, Mr. [1837.] Instance of his getting a second advance upon his shares from the Cork branch of the Agricultural and Commercial Bank, *Goodier* 3408.

Benyon, Mr. [1837.] Director of the Northern and Central Bank; nature of his calling, *Moult* 279–283.

Bernard, Messrs., of Pallisan. [1837.] Instance of their giving away their shares in the Agricultural and Commercial Bank, and afterwards finding themselves on the registry, *Mahony* 3838, 3839——Their liability in the event of a suggestion being filed against them for obtaining execution, *Mahony* 3846–3851.

Bignold, Samuel. [1836.] (Analysis of his Evidence.)—Resident director of the Norwich and Norfolk Joint Stock Bank, 2629–2634——Nature of his duties, 2635–2638——Names of the other directors, 2639——Number and value of shares, and amount issued at the commencement, 2640–2645——Premium at which reserved shares were issued, 2646–2648——Amount of the first dividend, and whence derived, 2649–2653——No losses incurred in the first year, 2653——All bad debts charged to the doubtful debt account, 2655–2657——Particulars respecting the loss the bank sustained by Mr. Batley's failure, 2659–2681——Reason why the directors declared a dividend without deducting the losses, 2668——Amount of paid-up capital when Batley's failure occurred, 2669–2672——Nature of the loss sustained by an agent named Keer, at Framlingham, 2683–2691——Amount of the loss sustained through William Tuck, 2692–2695——Losses sustained at the Dereham agency, through Cooper and Miles, were protected, 2697–2701——Particulars of the loss sustained through Boardman, 2702–2708——Total amount of losses between 30,000 *l.* and 40,000 *l.*, 2709–2712——Dividends continued to be made every year during the losses, 2714.

Cause of issuing the shares at a premium, 2715——Nature of the report submitted by the directors to the shareholders at the annual meeting, 2716–2718——Losses of the bank were as much known to the shareholders as if they had turned over the leaves of the ledgers, 2719——All bad and doubtful debts were written into the doubtful debt account before the balance was struck, 2720–2726——The directors were unanimous in declaring a dividend, 2727——Nature of the items that were placed to the debit of the profit and loss account, 2729——Period at which the sum of 30,000 *l.* was carried from the doubtful debt account to the profit and loss account, 2730–2739——Every information respecting the accounts of the bank is capable of being furnished, 2740–2747——Further examination relative to the amount of Batley's loss, 2748–2752——No reserved fund ever formed though provided for in the deed of settlement, 2754–2756——Great desire on the part of the directors to fill up the vacancies in the board, but nobody would qualify for the office, 2757, 2758.

The general position of the bank justified the declaration of dividends at the periodical meetings, 2759–2762——Cause of the dissolution of the bank, 2764, 2765——Steps taken by the directors relative thereto, 2766–2770——Nature of the provision in the deed of settlement relative to dissolving the banking company, 2773——Reason why the directors did not call a meeting of the shareholders for the purpose of dissolving the company after Batley's loss, 2777——Arrangement entered into with the East of England Bank relative to the debts of the Norwich and Norfolk bank, 2782–2787——Amount of outstanding notes at present, 2788——Amount of deposit accounts at the period of the transfer, 2789——Depositors were perfectly satisfied with the transfer of their accounts to the East of England Bank, 2792, 2793.

Amount transferred in cash and bills of exchange, also amount of debts due on overdrawn accounts made over, 2794–2796——Directors of the Norwich and Norfolk Bank never derived the least profit from the sale of shares, or on their own private account, though the concern may ultimately wind up with great personal loss to themselves, 2797——Proportion of the capital stock held by the directors themselves, 2802——Directors have guaranteed whatever loss may fall upon the company, 2804.

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Bill Brokers:

[1836.] Reason why London bill brokers take so large an amount of bills from joint stock banks to rediscount, *Harding* 2254——Half the joint stock banks in the North of England are merely bill brokers, *Martin* 2436——Considered degrading in a country banker to place himself in the character of a bill broker, *Amery* 630–632——Bill brokers might refuse to discount bills at any time for the Northern and Central Bank, *Cassels* 1784.

[1837.] Nature of the operation of banks lending money through bill brokers, and rate of interest charged, *Robertson* 2338–2341.

See also *Bills of Exchange*, 5. *Endorsing Bills of Exchange.*

Bills of Exchange:

1. *Generally.*
2. *Character of Bills at present afloat.*
3. *Effect of the Small Bill System in Ireland.*
4. *Agricultural and Commercial Bank.*
5. *Northern and Central Bank.*
6. *Birmingham Banking Company.*
7. *Provincial Bank of Ireland.*
8. *Stourbridge and Kidderminster Bank.*

1. *Generally:*

[1836.] Assets and liabilities of banks could not be satisfactorily inquired into were the bills of exchange under acceptance excluded from the accounts, *Burdekin* 37–39——Reason why returning those under acceptance as liabilities would be objectionable, *Burdekin* 22. 27. 40, *Jackson* 58–88——First rate bills cashed with equal facility as exchequer bills, *Amery* 607——Reason why they are preferable to stock or exchequer for bankers to hold, *Gibbins* 1005–1012, *Cassels* 1818, 1819——Money always more easy to obtain upon stock than upon bills, *Stuckey* 1477.

[1837.] Very unsafe system to have the capital of a bank altogether invested in commercial securities, *Marshall* 4409——No bill can be drawn by a joint stock bank from any part of Ireland upon Dublin for less than 50*l.*, or which is payable on demand, *Marshall* 4563.

2. *Character of Bills at present afloat:*

[1836.] Class and character of bills at present afloat in the money market, *Martin* 2324–2340——Mode of testing the general character of bills discounted by banking companies, *Jackson* 98, 99——Joint stock banks have not given currency to paper of a doubtful character to any great extent, *Gurney* 2584——Paper sent from the country to discount in the London market generally very good, *Gurney* 2574——Paper received from the country through the medium of joint stock banks of a better description than that formerly received through private banks, *Gurney* 2572——Species of bill accommodation has been very much fostered and increased by joint stock banks, *Martin* 2421——Increase of bills from the country chiefly through the medium of joint stock banks, *Gurney* 2565.

3. *Effect of the Small Bill System in Ireland:*

[1837.] The effect of the small bill system is, that it enables the agricultural peasantry to raise money to pay their arrears of rent, by which means the losses are thrown upon the banks, to the relief of the landlords, *Mahony* 3984——Effect the small bill system has had upon prices at the fairs and markets in the northern part of the county of Kerry, *Mahony* 3985. 3992——Bills of small amount much better paid than those for large sums, *Dwyer* 2641——Operation of credits upon small bills has led to the greatest evils in Ireland, *Mahony* 3981——Instance of 1,000 processes being brought at one sessions at Boyle upon that class of bills, *Mahony* 3982.

4. *Agricultural and Commercial Bank:*

[1837.] Evidence relative to the character of the bills discounted by the Agricultural Bank, *Dwyer* 2642, *Goodier* 3590. 3602, *Crosse* 3782. 3802——Character of the bills found at the agricultural branch banks upon the auditor's visit thereto; number of names attached to them; and purposes for which the accommodation was usually given, *Dundas* 4218——Average of the bills discounted by the Agricultural and Commercial Bank from 1,000*l.* to 10*l.* and 5*l.*, *Dwyer* 3022——Bills of the amount of 3*l.* and under 5*l.* commonly discounted by the Agricultural and Commercial Bank, *Goodier* 3590. 3596–3602——Not usual to discount bills under 5*l.*, though bills for a less amount were discounted by the Agricultural and Commercial Bank at Castlebar, *Dwyer* 2635–2640——Character of the bills tendered by the Agricultural and Commercial Bank to be discounted by the Bank of Ireland, and refused, *Dwyer* 2890——Bad character of the paper discounted and held as security at the several branch banks of the Agricultural and Commercial Bank, *Goodier* 3453–3455——Reason for disbelieving Mr. Dwyer's statement that out of two millions of small paper of the Agricultural Bank nearly the whole

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whole had been paid, *Mahony* 3983——Small bills of the Agricultural Bank very often discharged in payment by renewal with the parties, *Crosse* 3807–3809——Small bills were not taken in payment for shares at the Agricultural Branch Bank; but the accommodation was given upon the fact of the parties becoming shareholders, *Dundas* 4219, 4220.

5. *Northern and Central Bank:*

[1836.] Nature of the "Original bills drawn and accepted by the Bank," as returned amongst the assets and liabilities of the Northern and Central Bank, *Cassels* 1602–1604.

[1837.] Description of bills sent from Manchester by the Northern and Central Bank, and reason why they were refused by the London bill brokers, *Gilbart* 1987–2008.

6. *Birmingham Banking Company:*

[1836.] Description of bills usually sent to the Bank of England as security for the advances made to the Birmingham Banking Company, *Gibbins* 1054–1057——Mode of charging bills when they became due by the Birmingham Banking Company, and how over-due bills are accounted for, *James* 836–839.

7. *Provincial Bank of Ireland:*

[1837.] Description of paper generally submitted to the branches of the Provincial Bank for discount; sometimes a small bill of 5*l.* may be discounted, but it is no part of their usage to take small bills, *Marshall* 4412–4416.

8. *Stourbridge and Kidderminster Bank:*

[1836.] Period of time bills of exchange are usually drawn for, upon which advances are made by the Stourbridge and Kidderminster Bank, *Amery* 551.

See also *Bank of England*, 1. 3. *Barnett, Hoare & Co. Bill Brokers. Belfast Branch Bank. Current Bills. Discounts. Gurney*, Mr. *Indorsing Bills of Exchange. Interest*, 3. *Local Bills. Losses*, 1. *Past Due Bills. Rediscounting Bills of Exchange. Remittances. Stock.*

Bills in Equity. See *Chancery*, Court of.

Bilston District Banking Company. [1837.] Amount of nominal capital; number of shares and nominal value of each share; number of shares issued; amount of paid-up capital; date of the several calls, and amount of each instalment; date of deed of settlement, and number of signatures attached to it, &c.; [1836.] *App. p.* 18, 19; [1837.] *App. p.* 18.

Birmingham and Midland Bank. [1837.] Amount of nominal capital; number and value of shares; number of shares issued, and amount of paid-up capital; date of the several calls, and amount of the instalments; date of deed of settlement, and number of signatures attached to it; rate of interest on discounts, &c., *App. p.* 27.

Birmingham, Bank of. [1836.] Amount of nominal and paid-up capital; number and value of shares, and number issued; rate of dividend; number of signatures to deed of settlement; places at which notes and bank post bills are payable; rate of interest on deposits, &c. *App. p.* 244.

Birmingham Banking Company. [1836.] How it originated, *Gibbins* 909–920——Number of shares subscribed for, and amount paid per share, *Gibbins* 916, 917——By whom the bank is conducted, and how the directors are chosen, *Gibbins* 920, 921 Paid-up capital quite sufficient to carry on the business of the bank, *James* 853——Make no distinction as to whether their customers are proprietors or otherwise, *James* 862——Reason why they do not issue their own paper, but prefer their connexion with the Bank of England, *Gibbins* 1160–1164——Nature of their arrangement with the Bank of England with respect to their issue of notes, *Gibbins* 987–989——Amount advanced the Birmingham Banking Company by the Bank of England on rediscounts, *James* 781, 782——Arrangement between the Birmingham Banking Company and the Bank of England is in lieu of the circulation which the Banking Company would otherwise issue, *Gibbins* 1155——Manner in which the annual accounts are made up previous to the declaration of a dividend, and plan adopted with respect to writing off bad debts, &c., *Gibbins* 1173–1178——Returns of the proprietors of shares are made to the Stamp-office twice a year, and verified on oath, *James* 798–801——Amount of nominal and paid-up capital; number and value of shares; date of calls, and amount of instalments; number of shares forfeited; rate of dividend; places notes payable at, &c.; *App. p.* 202–203; [1837.] *App. p.* 78.

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Board of Commissioners. [1836.] Joint stock bank should receive the sanction of a board of commissioners previous to commencing business, *Gurney* 2487–2490. 2513.

Reports, 1836 and 1837—*continued.*

Board of Trade. [1837.] Should decide whether proper for a bank to be established, and places at which it should be permitted to trade, *Mahony* 3949——Should have the power of regulating the issues of joint stock banks, and the amount of bullion they should keep to answer their issues, *Mahony* 3944——Board of trade, in framing either the charter or deed of settlement of a joint stock bank, should provide for the correctness of the balance sheet, *Mahony* 3972.——*See* also *Paid-up Capital,* 1.

Boardman, Mr. [1836.] Account of the loss sustained through him by the Norwich and Norfolk Joint Stock Bank, *Bignold* 2702–2708.

Bolton, Bank of. [1837.] Amount of nominal capital; number and value of shares; number of shares issued, and amount paid; date of the several calls, and amount of instalments; rate of interest on deposits, &c. *App. p.* 42, 43.

Bonds:

[1836.] Mode of lending money upon bonds, *Stuckey* 1374.

[1837.] Promissory notes, with two or three names to them, preferable as a security to the Scotch bond, *Robertson* 2294–2299.

Book-keeping by Banks. [1837.] Shameful manner in which the books of the Agricultural Bank were kept, *Gresham* 3240. 3248, *Goodier* 3351–3366, *Dundas* 4177, 4178——Mr. Brierly's observation as to the loose manner in which the books of the Agricultural Bank had been kept, *Gresham* 3240, *Goodier* 3459–3463——Reason given by Mr. Mackenzie, the accountant, for the books of the Agricultural Bank not being posted, *Gresham* 3245. *See* also *Castlebar Branch Bank. Kilkenny Branch Bank. Raper,* Mr.

Bosanquet, Mr. Justice. [1837.] Part taken by him as counsel for the Bank of England, relative to framing the law for the regulation of joint stock banks, *Mahony* 3818, 3819.

Boyd, Mr. [1837.] Cause of his seceding from the direction of the Agricultural and Commercial Bank, *Dwyer* 2574–2578.

Boyle Branch Bank. [1837.] Particulars of witness's visit as inspector of the Boyle Branch Bank, and deplorable state of the finances at that branch, *Dundas* 4203–4212——At that branch the debts were not worth 1 *s.* in the pound; at that time 800 civil bills were going on at the sessions to recover debts due there, *Dundas* 4203–4205——Amount of the assets returned as due from that branch, *Dundas* 4207–4210——At that branch they had no paid-up capital on shares, though the manager acknowledged that their apparent issue of shares had been over 30,000 *l.*, *Dundas* 4219.——*See* also *Rent,* Payment of.

Boyle, Lowe and Pym. [1837.] Their conduct to the Agricultural and Commercial Bank as notaries to the Provincial Bank, *Dwyer* 3141.

Bradford Banking Company. [1836.] Amount of nominal and paid-up capital; number and value of shares; date of calls, and amount of instalments; rate and variation of dividends; general balance-sheet laid before the proprietors; places notes payable at; rate of interest on deposits, &c., *App. p.* 197–199; [1837] *App. p.* 37, 38.

Bradford Branch Bank. [1836.] Great increase in the business of that branch of the Northern and Central Bank, *Cassels* 1727.

Bradford Commercial Joint Stock Bank. [1836.] Amount of nominal and paid-up capital; number and value of shares issued; date of the several calls, and amount of instalments; rate of dividend, and variations therein; number of signatures to deed of settlement; rate of interest on deposit accounts, &c. *App. p.* 235, 236; [1837] *App. p.* 33, 34.

Braidley, Benjamin. [1837.] (Analysis of his Evidence.)—Director of the Northern and Central Bank, 1406——Object of witness in visiting London in November last, 1411–1415——Period at which the pressure on the Northern and Central Bank first showed itself, 1416–1419——Occasion of Mr. Evans' visit to London, 1425–1430——Nature of the arrangement effected by the Northern and Central Bank with the London and Westminster Bank, 1430–1434——Bank of England were the only people that refused to discount the paper of the Northern and Central Bank at the time of the pressure, 1437——Cause of witness applying to the Bank of England for assistance for the Northern and Central Bank, 1444——Particulars respecting the interview witness had with the Bank directors in conjunction with Mr. Barnett and Mr. Evans, 1447–1474——Conditions upon which the Bank directors agreed to advance the money, 1449.

Copy of the written application made by Mr. Evans and witness, soliciting assistance from the Bank of England for the Northern and Central Bank, 1482——No objection urged by Mr. Evans to signing the letter of application, 1479——Difficulties occasioned by the London and Westminster Bank, 1485–1487——Nature of the agreement between the Bank of England and the Northern and Central Bank on the former advancing the latter half a million of money, 1489——Difference in the statement of the assets and liabilities of the Northern and Central Bank submitted to the Bank directors by witness, and the statement furnished from the head office at Manchester, 1489–1492.

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Braidley, Benjamin. (Analysis of his Evidence)—*continued.*

Banks are entitled to notice on the withdrawal of deposit accounts, 1492–1494——The Northern and Central Bank possesses a strong hold on the cash balances of their customers, 1495, 1496——Bankers at Manchester have the option of treating a deposit account as such or as a cash-credit account, 1503——Power of the Northern and Central Bank in refusing payment of their customers' checks when discounts exceed cash balances, 1508–1512——Difference in the amount of cash of the Northern and Central Bank as submitted in the two statements furnished the Bank of England, 1519, 1520——Extent to which Mr. Horsley Palmer, on the part of the Bank of England, offered to assist the Northern and Central Bank, 1523–1531.

Nature of the stipulations made by the Bank of England upon the second statement of the affairs of the Northern and Central Bank, 1532——Object of witness's immediate return to Manchester in the event of the Bank of England not complying with his request for assistance, 1533–1535——Distinction between the mode of keeping deposit accounts and cash-credit accounts, 1537, 1538——Period at which the agreement between the Bank of England and the Northern and Central Bank was confirmed at Manchester, 1540–1547——Object of the Bank of England directors and the Bank solicitor in visiting the Northern and Central Bank, 1548——Nature and amount of the discrepancies in the several items of the accounts of the Northern and Central Bank when inspected by the Bank of England directors, 1553–1562.

Ground upon which Mr. Moult refused the directors of the Bank of England an inspection of the private ledger of the Northern and Central Bank, 1564–1568——Amount of the deficiency in the private ledger, 1569–1572——Explanation with regard to the alteration of the entry in the private ledger with reference to the promissory notes of the directors, 1573——Nature of the security given by the directors of the Northern and Central Bank to the London and Westminster Bank, 1573–1575——Amount witness owed the Northern and Central Bank, 1576–1586——Never heard of the private ledger of the Northern and Central Bank until after the investigation by the Bank of England directors, 1587–1601——Advances made to witness by the Northern and Central Bank, and amount owing to the bank when the investigation of their accounts took place, 1602–1612——Examination respecting the removal of the amount owing by the directors from the statement of their accounts submitted to the Bank of England, 1613–1628.

Shareholders had great objection to men in business inspecting the overdrawn accounts, 1632——How so large a sum as 250,000 *l.* should escape witness's observation when looking through the accounts of the Northern and Central Bank, 1629–1635——Cause of the undue bills and overdue bills being included in the same account, 1636–1641——Objections urged by Mr. Gurney, the bill-broker, to discounting bills for the Northern and Central Bank, 1642–1649——Reason why the directors did not apply to the shareholders for supplies when they found they could not raise money upon their bills, 1650–1657—Or did not have recourse to their reserved shares, 1658–1662——The difficulty of making a call on the shareholders would not have been so great had the value of the shares been greater, 1663–1666——Difficulties of the Northern and Central Bank attributed to its numerous branches, and their great distance from the central establishment, 1667–1669.

Return of the number of shares, and amount of its paid-up capital, 1670——System of directors holding shares without paying up the capital is very objectionable, 1671–1674——Practice of declaring dividends upon the assumed profit of unsold shares is very wrong, 1675–1678.

Braidley, Mr. [1837.] Amount owing by him to the Northern and Central Establishment, and nature of the security held for the same, *Moult* 293–298. 834——Cause of his being sent to London by the Northern and Central Bank, *Moult* 62–68.

See also *Application for Assistance,* 1. *Discrepancies in Accounts,* 1.

Branch Banks:

1. *State of the Law respecting them, and Suggestions for its Amendment.*
2. *Distinction between Branch Banks and Agencies.*
3. *Of the Northern and Central Bank.*
4. *Bank of England.*
5. *Gloucestershire Banking Company.*
6. *National Provincial Bank.*
7. *North of England and East Riding Bank.*
8. *Norwich and Norfolk Joint Stock Bank.*
9. *Agricultural and Commercial Bank.*
10. *Provincial Bank of Ireland.*

1. *State of the Law respecting them, and Suggestions for its Amendment:*

[1836.] The law does not limit the number of branches or the distance of branches from the central bank, *Rep. p.* ix——Law with respect to them requires amendment, *James* 895——Numerous branches very liable to bad management, and a source of great embarrassment in times of difficulty, *Harding* 2272, *p.* 139——Great danger arises from

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joint stock banks having so many branches, and situate so far distant from the parent establishment, *Harding* 2169. 2174, *Martin* 2285. 2288.

[1837.] Difficulties of a bank very much augmented by the number and distance of its branches, *Goodier* 3571——Not possible to have them under proper control if situate at a distance from the central establishment, *Stuckey* 1423–1425, *Harding* 2174, 2175 ——Are more advantageous to the people of the locality than to the bank itself, *Dwyer* 3019, 3020.

In Ireland they are much too numerous, *Mahony* 3949——Reason why branch banks in Ireland are attended with dangerous effects, which those of Scotland are not subject to, *Dwyer* 304——Manner in which the transactions between the country banks and the Dublin banks are conducted, *Mahony* 4040, 4041.

[1836.] The distance with respect to the situation of branch banks from the parent establishment should be limited, *Gibbins* 974. 1014. 1204. 1256, *Stuckey* 1325. 1338. 1423. 1431, *Austin* 2133, *Harding* 2272, *Gurney* 2520. 2523, *Martin* 2395, 2396; [1837], *Moult* 958——System of their issuing promissory notes not payable at the places from which dated, is very objectionable, *James* 897——Should be obliged to pay all notes issued by them, *Gurney* 2526.

2. *Distinction between them and Agencies:*

[1836.] Distinction between a branch bank and an agency, *Amery* 538–541, *Martin* 2289, *Gurney* 2524, 2525——Distinction between a branch and a sub-branch, and mode of conducting the business at each, *Cassels* 1551–1558.

3. *Of the Northern and Central Bank:*

[1836.] Number of branches and sub-branches connected with the Northern and Central Bank of England, *Cassels* 1550——Manner in which the various branches connected with the Northern and Central Bank differ in their business, *Cassels* 1724——No dangers can apply to the branches of the Northern and Central Bank, unless the regulations laid down are departed from, *Cassels* 1897.

[1837.] Difficulties of the Northern and Central Bank attributed to its numerous branches, and their distance from the central establishment, *Braidley* 1667–1669——Steps taken by the directors of the Northern and Central Bank to reduce their number of branches, and cause of not succeeding, *Moult* 810——Evidence respecting the losses sustained at the various branches of the Northern and Central Bank, *Moult* 753–781——System of control exercised by the directors over the branch banks, *Moult* 753–781——Particulars respecting the sale of those belonging to the Northern and Central Bank, amount received for their goodwill, and arrangement effected respecting the debts and deposit accounts, *Moult* 902–924——Instances where the business of the branches has been taken exactly as it stood with the Northern and Central Bank, *Moult* 931.

4. *Of the Bank of England:*

[1837.] Establishment of branch banks by the Bank of England does not give them more efficient control over the circulation than if not established, *Gilbart* 2057, 2058.

5. *Of the Gloucestershire Banking Company:*

[1836.] Expense of a branch bank of the Gloucestershire Banking Company, *Gibbins* 1223–1228.

6. *National Provincial Bank:*

[1836.] Mode of supplying the branches and sub-branches of the National Provincial Bank with cash, *Robertson* 2836–2838——No difficulty entertained as to the management of the branch banks of the National Provincial Bank in the event of commercial difficulties, *Robertson* 2872–2875.

7. *North of England and East Riding Bank:*

[1836.] Situation of those of the North of England Joint Stock Bank, *Austin* 2004—— Practice adopted by the branch banks in the East Riding relative to their issue of notes is in direct violation of the Act, *Harding* 2207.

8. *Norwich and Norfolk Joint Stock Bank:*

[1836.] Situation of those belonging to the Norwich and Norfolk Joint Stock Bank, and nature of the control exercised over their issues by the Central Bank, *Nimmo* 516–521 ——Greater losses sustained at the branches of the Norwich and Norfolk Joint Stock Bank than at the one under the directors' immediate control, *Nimmo* 519.

9. *Agricultural and Commercial Bank:*

[1837.] Those of the Agricultural and Commercial Bank much too numerous, *Dwyer* 2688——Branches of the Agricultural Bank visited by witness and Mr. Molloy, and amount of money they were represented to possess, *Dundas* 4198——Much evil ensued to the Agricultural Bank from the number of branches they established, which never could have paid them, *Dundas* 4199——No general system of keeping accounts in any of the branch banks of the Agricultural Bank visited by witness, nor any account of the number of promissory notes in circulation, *Dundas* 4200, 4201.

10. *Provincial*

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10. *Provincial Bank of Ireland:*

[1837.] Plan upon which those of the Provincial Bank of Ireland are constituted, *Marshall* 4320——Provincial Bank has now 34 branch banks, previous to 1831 they had only 15, *Marshall* 4480, 4481——Provincial Bank has been compelled to establish branch banks, at places where they would not have thought of establishing them, in order to keep their own business, *Marshall* 4479.

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Brierly, Mr. See *Book-keeping. Dividends.*

Bristol. See *Old Bank,* Bristol.

Bristol Branch Bank. [1836.] Cause of the branch connected with the Northern and Central Bank being relinquished, *Cassels* 1728.

British Linen Company. [1836.] How they accounted for losses previous to declaring a dividend, *Nimmo* 499, 500.

Broadbent, Mr. [1837.] His remark respecting the report of the Northern and Central Bank made at the annual meeting, *Moult* 984——Reason why he is unfit for the situation of inspector of the affairs of the bank, *Moult* 659. 986.

Brodie, Mr. [1837.] Part taken by him in framing the law for the regulation of joint stock banks, *Mahony* 3818.

Bromwich, West. See *Dudley and West Bromwich Bank.*

Bullion. [1836.] Joint stock banks should make a periodical return to Government of gold and silver in their possession, *Harding* 2272, *p.* 139——Joint stock banks will become powerful enough to draw every sovereign from the Bank of England if occasion should induce them, *Harding* 2272, *p.* 139——Amount of gold and silver in the Bank of England does not affect joint stock banks, *Gibbins* 1306.

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Burdekin, Edmund. [1836.] (Analysis of his Evidence.)—Manager of the bank of Manchester, 1-4——Copy of circular issued by witness and Mr. John S. Jackson recommending the directors of joint stock banks not to answer certain questions submitted by the Chancellor of the Exchequer, 4-8——Mode of government of the Manchester bank, 9——Authority upon which the circular to the joint stock banks was issued, 6-17——Objections of the directors to filling up the statement required by the Chancellor of the Exchequer, 17-33. 40——General wish on the part of the directors for publicity to such an extent as should be satisfactory security to the public, 34——No objection to the disclosure of the private affairs of joint stock banks, provided the same power be exercised over private bankers, 35——Inquiry could be made into the principles of banking, without considering the assets and liabilities of a banking establishment, 36——Assets and liabilities could not be satisfactorily inquired into were the bills of exchange under acceptance excluded from the accounts, 37-39——Mode adopted by bankers in the north of England of re-discounting bills of exchange, 40-43.

Bury Banking Company. [1837.] Number and situation of its branches; amount of nominal and paid up capital; number and value of its shares; number issued; date of calls and amount of instalments; number of signatures to deed of settlement, &c. *App. p.* 92.

Butter Market. [1837.] How it was affected by the operations of credits upon small bills in Limerick and the neighbouring ports, *Mahony* 3985. 3989-3992.

Butter Merchants. [1837.] Small bill system in Ireland has had the same effect as formerly prevailed with the butter merchants, who issued their paper to the farmers at a certain season of the year, *Mahony* 3984——Mode of making advances to the farmers by them, and monopoly they enjoyed in consequence, *Mahony* 3997-3999——Wherever they doubted the security of the tenant they required the security of the landlord also, *Mahony* 4011.

Bye-Laws. See *Deeds of Settlement.*

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C.

Calls upon Shareholders:

1. *Generally.*
2. *Birmingham, Gloucestershire and Hampshire Banking Companies.*
3. *Agricultural and Commercial Bank.*
4. *Northern and Central Bank.*
5. *North of England Joint Stock Company.*
6. *National Provincial Bank.*

1. *Generally:*

[1836.] Period of notice necessary to give previous to making a call upon shareholders, *Gibbins* 1074–1084——Banks should never be in a situation to require a call to be immediately paid up, *Gibbins* 1084——Effect of making calls when shares are at a discount, *Gibbins* 1103–1105——Joint stock banks depend more upon the prudence of management than in any reliance on calls upon the proprietors, *Gibbins* 1124——Directors should have the power of calling up the whole of the proposed capital of joint stock banks, *Austin* 2129——Power of making calls an important advantage both for the protection of the public and the protection of the bank, *Gibbins* 1102——Directors or managers should not have the power of calling up one shilling beyond the fixed value of the shares, *Austin* 2152, *p.* 130.

[1837.] Directors should have the power to make calls upon a fortnight's notice in cases of emergency, *Gilbart* 2192–2195——Power of making calls on shareholders adds very much to the security of a bank, *Robertson* 2404–2408.

State of the law relative thereto, and suggestions for its improvement, *Mahony* 3866——Directors have a legal remedy against proprietors, but shareholders have no power of enforcing a call upon shares without recourse to a bill in equity, *Mahony* 3828——Very frequently in Scotland the shares of a bank rise to a high premium when the shareholders have come to a determination of increasing the capital of the bank, *Marshall* 4500.

2. *Birmingham, Gloucestershire and Hampshire Banking Companies:*

[1836.] Amount of the calls of the Birmingham, Gloucestershire and Hampshire Banking Companies, *Gibbins* 1107–1112.

3. *Agricultural and Commercial Bank:*

[1837.] Particulars of the call made by the Agricultural Bank upon its shareholders in October 1836, and amount it would have realized if paid up, *Dwyer* 3046——Manager at the Belfast branch was instructed to acquaint people taking shares in the Agricultural Bank that no further call would be made upon shares, *Dundas* 4146——Report of the Agricultural and Commercial Bank of Ireland relative to making a call on the British shareholders, and recommending a further call on the Irish proprietors, *Dwyer* 2631, *p.* 149, 150——Agricultural Bank had not only the power of forfeiting shares, but also of proceeding against the parties in the event of the call not being paid up, *Mahony* 3832.

4. *Northern and Central Bank:*

[1837.] Northern and Central Bank might have been relieved of their difficulties had they had the power to make a further call on their shareholders, *Moult* 955. 957, *Gilbart* 2026. 2212–2216, *Goodier* 3510. 3513.

5. *North of England Joint Stock Company:*

[1836.] Means the North of England Joint Stock Company are vested with for enforcing payment of shares, *Austin* 2072——Deed of settlement of the North of England Joint Stock Banking Company does not admit of a call being made by the directors without the sanction of the majority of the proprietors, *Austin* 2066, 2067. 2113——Penalty attached to the nonpayment of calls when made by the North of England Joint Stock Bank, *Austin* 2072–2077.

6. *National Provincial Bank:*

[1837.] Amount paid upon the last call of the National Provincial Bank, and cause of the directors not enforcing the forfeiture of shares when the payment was not complied with, *Robertson* 2252. 2259. 2429–2436——Manner the National Provincial Bank has benefited by the last call on its shareholders, *Robertson* 2437–2441——The call of the National Provincial Bank was not made on account of the pressure on the bank, *Robertson* 2335.

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Campbell, Sir *John.* [1837.] Part taken by him in framing the Act for the regulation of joint stock banks, *Mahony* 3818——His advice relative to filing a bill in equity against the Agricultural and Commercial Bank, *Mahony* 3822–3826——His opinion respecting a Bank of England note being a legal tender in Ireland, *Mahony* 3962.

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Capital. [1836.] Capital of the country has increased considerably, *Martin* 2455——Plan formerly to carry on banks without any capital, *Stuckey* 1345——Very useful in manufacturing and mercantile districts, but quite burdensome in a purely agricultural district, *Gurney* 2518.

See also *Banking. Bills of Exchange,* 1. *Calls upon Shares. Employment of Capital. Investment of Capital. Nominal Capital. Paid-up Capital.*

Carlisle and Cumberland Joint Stock Bank. [1837.] Situation of the branch bank; amount of nominal capital; number and value of the shares; number of shares issued; amount of paid-up capital; date of the calls and amount of the instalments; number of signatures to deed of settlement, &c., *App. p.* 35, 36.

Carnarvon. See *Wrexham, Oswestry and Carnarvon Branch Bank.*

Cash Balances. [1837.] Northern and Central Bank have the power of refusing payment of drafts when holding undue bills of their customers of a larger amount than their cash balance, *Braidley* 1495, 1496. 1512.

Cash Credits. [1837.] Principle upon which they are regulated in Scotch banks, *Robertson* 2278, 2279——In what the English differs from the Scotch system, *Robertson* 2280–2297——Distinction between the mode of keeping deposit accounts and cash credit accounts, *Braidley* 1537, 1538——Extent to which they are made by the National Provincial Bank, *Robertson* 2361, 2362——Provincial Bank has endeavoured to introduce the Scotch cash credit system into their branches, though not carried to any great extent, *Marshall* 4424–4426——The Scotch system has a tendency to resolve the cash credit into a permanent loan, instead of being an active account, which the Provincial Bank have endeavoured to check by requiring periodical reports upon every particular account, *Marshall* 4427, 4428——Means taken by the Agricultural and Commercial Bank to call in their cash credits upon their stoppage, and the result, *Dwyer* 3205–3207.

See also *Shareholders.*

Cassels, Walter Gibson. [1836.] (Analysis of his Evidence.)—Agent for the Northern and Central Bank of England, 1547–1549——Number of branches and sub-branches connected with the establishment, 1550——Distinction between a branch and sub-branch, 1551–1558——Description of notes circulated, where dated and made payable, 1556–1562——Number of shares, and amount subscribed for previous to commencing business, 1566–1572——Purposes to which the reserved shares were applied, 1567–1577——Class of persons usually selected to become shareholders; objection to allowing ladies to take shares, 1568, 1569——Proprietary has very much increased both in number and respectability, by the mode of issuing the reserved shares of the bank, 1570——Nominal value of shares quite immaterial for the promotion of the respectability of the bank, 1571——Shareholders cannot receive their dividends without signing the deed of partnership, 1573.

Directors had the power of varying the premium on the reserved shares from the number they judged it expedient to issue, 1578——Sale of shares at a premium always considered in making a dividend, 1581——Rate of dividend payable on shares, 1582, 1583——Premium the shares bear in the market, 1586——Cause of the bank being compelled to purchase their own shares, 1589–1591——Explanation respecting advances on the deposit of shares by the Northern and Central Bank, 1593——Shareholders do not possess any advantages in obtaining advances, which are not afforded to the rest of the customers of the bank, 1598——Amount of promissory notes and bank post-bills in circulation, 1599——Nature of the "original bills drawn or accepted by the bank" as returned amongst the assets and liabilities, 1602-1604——Ground upon which the bank usually accepts bills, 1605.

Mode of making remittances to Hamburgh by bills of exchange, 1605——Manner in which the amount of notes in circulation is regulated at the head-office and the various branches, 1607–1609——Circulation of promissory notes cannot be forced as long as they are obliged to be paid in gold or bank notes when presented, 1611–1624——Nature of a transmission account with the Bank of England, 1627, 1628——Manner in which the Manchester and Liverpool district bank carry on their business with the Bank of England, 1623–1635——Rate of interest charged upon re-discounts by the Bank of England, 1632——Manchester and Liverpool District Bank has very much increased its business since accommodation has been afforded them by the Bank of England, 1635, 1636——Advances of the Bank of England to the Manchester and Liverpool District Bank, upon re-discount, lessen the interest on discounts in the London market, 1638–1647.

Amount of rest necessary to meet the circulation on a bank of issue, 1648–1650——The whole of the capital should be paid upon shares in banking companies, 1652–1659——Joint stock banks should have a reserve of money in the funds or Exchequer bills, 1660–1662——Whether the system of re-discounting bills is a safe measure for joint stock banks to engage in, 1663–1666——Means taken by the Bank of England to reduce the circulation of joint stock banks in Lancashire and Yorkshire, 1667–1675——Usual practice for banks of issue to re-discount occasionally, 1677, 1678——Rate of interest paid for re-discounts in London, 1683–1687——Difference in profit arising from taking money from the Bank of England at three per cent., and issuing promissory notes, 1688–1695.

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Cassels, Walter Gibson. (Analysis of his Evidence)—*continued.*

Expense of the circulation of the Northern and Central Bank of England, 1694——Bank objected to draw bills at three months until their customers threatened to go to Jones, Loyd & Co. if they refused, 1697——Proprietors' liability by the deed of settlement, 1699–1701——Any shareholder may break up the bank if it has lost a certain sum, 1701——Paid-up capital of the Northern and Central Bank, 1703——Security held for the balances of current accounts due to the bank, and effect of calling it in suddenly, 1705–1716——Great increase of business in the Bradford branch, 1727——Cause of the Bristol branch being relinquished, 1728——Manner in which the managers and agents of the several branch banks were selected and approved of, 1736.

Shareholders in the Northern and Central Bank are favoured more than casual customers, 1742–1744——The Northern and Central Bank is prepared to meet any emergency, 1745–1752——Balance kept in London; manner in which the business is conducted with the bill-brokers, 1753–1762——London bankers are kept as bare as possible from not allowing interest on balances in their hands, 1763, 1764——How London bankers are supplied with money to meet bills of the Northern and Central Bank, 1765–1775——Bill-brokers might refuse to discount bills at any time for the bank, 1784——Power of managers at branch bank to make advances, 1787–1793——Amount of overdrawn balances, and security usually taken for the same, 1794–1805——A proprietor would be allowed to draw to the amount of his paid-up capital without security, 1806, 1807.

Principle upon which the directors of the bank regulate their issue, 1808–1817——Bills are preferable to stock as security for banking companies, 1818, 1819——Nature of the resources to meet any temporary pressure upon the bank, 1821–1826——Mode of making exchanges of notes at the various branches of Northern and Central Bank, 1829–1834——System of the Scotch banks is always to hold a certain amount of funded property, 1838–1840——Interest is paid on all deposit accounts, with an understanding that they are not to be drawn out without due notice, 1845–1850——Distinction between bank post bills of the Bank of England and those issued by joint stock banks, 1854.

Manner the Northern and Central Bank would procure assistance in the event of its being denied them by their London bankers and bill-brokers, 1855–1858——Northern and Central Bank never draw bills to provide cash for their London agents; case of Barnett, Hoare & Co. refusing to accept certain bills at three months' date, 1859–1865——Further examination respecting the assets and liabilities of the Northern and Central Bank, 1866–1885——Object of the directors in obliging the managers of the branch banks to dispose of their shares in the bank, 1886——Security taken from managers at branch banks, 1891–1894——Managers not allowed to make any engagements for the bank without the directors' sanction, 1895–1897.

Cassels, Mr. [1837.] State of the overdrawn accounts of the Northern and Central Bank were made evident by Mr. Cassels' evidence in 1836, *Gilbart* 2135. 2138.

Castlebar Branch Bank. [1837.] State of that branch upon witness's visit of inspection in September 1836, and cause of their books being in arrear, *Crosse* 3687–3693——Account of the auditors' visit thereto, and large sum overstated in the general sheet in Dublin, as belonging to that branch, *Dundas* 4213–4217——Object of the auditors visiting that branch first was on account of the large sum stated as belonging to that branch, *Dundas* 4213——Upwards of 19,000 *l.* overstated in the general balance-sheet of the Agricultural Bank, as appertaining to that branch; discrepancy accounted for, *Dundas* 4213, 4214——Explanation respecting the discrepancies in the accounts of that branch, *Dwyer* 2943–2955. 3094.

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Central Bank of Liverpool. [1837.] Its nominal capital; number of shares, and value of them; number of shares issued; amount of paid-up capital; date of the several calls, and amount of instalments; number of shares forfeited; rate of interest paid on deposits, &c., *App. p.* 62, 63.

Chambers, Mr. [1837.] Amount paid him for stationery a few days previous to the balance-sheet of Agricultural Bank being made up, *Dundas* 4234. 4239–4243——Manner in which his account with the Agricultural and Commercial Bank was incurred, *Dwyer* 2987–2990.——*See* also *Directors.*

Chancellor of the Exchequer. [1837.] Account respecting the interview of the directors of the Agricultural Bank with the Chancellor of the Exchequer, in Dublin, with the view of seeking assistance, and his reasons for declining to interfere, *Dwyer* 3123.

See also *Provincial Bank of Ireland.*

Chancery, Court of. [1837.] Filing a bill in equity the only remedy the proprietors of joint stock banks have against their directors and managers in the event of dishonesty and incompetency, *Mahony* 3822.

Cause of a bill being filed by Mr. Hardy against the directors of the Agricultural and Commercial Bank, *Dwyer* 3167–3169, *Gresham* 3309——Effect the injunction of the court

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court had in restraining the directors of the Agricultural Bank, *Mahony* 3835——Impossible for a bill in equity ever to come on for a hearing, owing to the machinery of the court, *Mahony* 3822. 3825——Parties filing a bill against a joint stock bank are saddled with the whole costs of the suit, in the event of a single name being omitted as returned to the Stamp-office, *Mahony* 3836——Case of Mr. M'Gough and the St. Patrick Insurance Company, showing the folly of having recourse to bills of equity, *Mahony* 3857——Plaintiffs should have the power of filing a bill against any number of partners against whom he sought relief, with a view to control the directors in any case of mismanagement, *Mahony* 3932, 3934.

See also *Agricultural and Commercial Bank. Calls upon Shares. Dissolution of Partnership.*

Charitable Loan Funds. [1837.] Advantages of charitable loan funds to farmers; the establishment at Limerick has worked exceedingly well, *Mahony* 4000–4003.

Charters. [1837.] Charters preferable to deeds of settlement for joint stock banks as the Crown has a summary remedy in case of any abuse, *Mahony* 3929. 3937——Suggestions for amending the defects in the present law respecting joint stock banks, by authorizing the Crown to grant charters, and enabling a plaintiff to file a bill against any number of the partners against whom he sought relief, *Mahony* 3932——The Crown has now the power of granting charters, stipulating that the parties shall be responsible to the whole extent of their fortunes as well as their subscriptions, *Mahony* 3966——Nature of the charter by which the Bank of Ireland is bound, *Mahony* 3966.

Cheques on Bankers:

[1836.] Bankers cannot obtain credit for cheques drawn out of the distance in case of bankruptcy, *Martin* 2443.

[1837.] Very large circulation takes place in Ireland by means of cheques, and by orders from bank to bank, which is never represented in what is called the note currency, *Mahony* 4092——The system of drawing cheques and letters of advice was quite unknown in Ireland previous to the establishment of the branch banks, *Mahony* 4094.

See also *Cash Balances.*

Cheltenham and Gloucestershire Bank. [1836.] Amount of nominal and paid-up capital; number and value of shares; number signing deed of settlement, &c. [1836], *App. p.* 211; [1837], *App. p.* 97.

Chesterfield and North Derbyshire Banking Company. [1836.] Amount of nominal and paid-up capital; number and value of shares; number of shares issued; date of calls, and amount of instalments; rate of dividend; number of signatures to deed of settlement; number of unappropriated shares; places notes payable at; rate of interest on deposits and balances of accounts, &c. [1836], *App. p.* 233; [1837], *App. p.* 49.

Childers, Mr. [1837.] Cause of his seceding from the direction of the Agricultural and Commercial Bank, *Dwyer* 2574–2578.

Christy, Mr. [1837.] Account of the transactions between him and the Agricultural and Commercial Bank, with regard to establishing a London connexion, *Dwyer* 2854.

Circulars. [1836.] Copy of the circular addressed to the several joint stock banks throughout England and Wales by the Chancellor of the Exchequer, with the questions and form of account required to be answered and filled up, *Rep. p.* iii, iv——Copy of the circular issued by Mr. Burdekin and Mr. Jackson to the joint stock banking companies, recommending them not to answer the queries submitted to them by the Chancellor of the Exchequer, *Burdekin* 4–8——Authority upon which the circular was issued, *Burdekin* 6–17, *Jackson* 46–55.

See also *Bank of Manchester.*

Circulating Medium:

[1836.] The circulating medium existing in Europe and the mercantile parts of America is not increased in proportion to the transactions, *Gurney* 2594.

[1837.] Right of the public, when they give privileges to parties to make a circulating medium, to control the mode in which it should be conducted, *Mahony* 3942.

Circulation:

[1836.] Account of the aggregate amount of notes circulated in England and Wales, by private banks, and by joint stock banks and their branches; distinguishing private from joint stock banks, *Rep. p.* ix, x——Amount of the supposed circulation of England in gold, silver, bank and country notes, *Stuckey* 1401——Opinion respecting the theory of a bank circulation, *Martin* 2366——Circulation of country banks depends in some degree upon the prices, *Gibbins* 1308–1311——Expense of the circulation of the Northern and Central Bank, *Cassels* 1694——Amount of promissory notes and bank post-bills of the Northern and Central Bank in circulation, *Cassels* 1599——Mode of regulating

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regulating the resources available to meet the circulation of the Northern and Central Bank of England, *Cassels* 1820–1827.

Means taken by the Bank of England to reduce the circulation of joint stock banks in Lancashire and Yorkshire, *Cassels* 1667–1675——The amount of Bank of England circulation, and the amount of country and joint stock bank circulation, should be published every six months in the Gazette, *Stuckey* 1519.

[1837.] Evidence relative to the increased circulation of joint stock banks latterly, *Gilbart* 2082–2085——The Bank of England should have an efficient control over the circulation, with the view to the rectification of the exchanges, so long as it is the sole bank of issue in London, *Gilbart* 2054——Reason why the Bank of England reducing their issues in London will reduce them in the country also, *Gilbart* 2098. 2102——Impossible for a bank of issue to continue its circulation beyond the demand of the country requiring it, *Gilbart* 2074, 2075, 2079. 2087——Provincial Bank never attempted to force their circulation, to the exclusion of the circulation of other banks, *Marshall* 4451.

Cause of the circulation of the National Provincial Bank having increased latterly, *Robertson* 2368–2374——Return of the circulation of joint stock banks, *App. p.* 165——Return of the weekly circulation of the Bank of England, from the 29th August 1833 to the 2d April 1836, *App. p.* 165——Account of the average amount of notes circulated by the Bank of England, between the 6th April 1833 to 2d April 1836, as set forth by the Bank in their return of the 2d May 1836, *App. p.* 164.

See also *Bank of England,* 1. *Branch Banks,* 4. *Cheques on Bankers. Exchanges. Exchanging Notes. Gloucestershire Banking Company. Gold. Prices. Promissory Notes,* 1. *Rediscounting Bills of Exchange. Rest. Small Notes. Stamp Office.*

Clackheaton. See *Halifax and Clackheaton Branch Bank.*

Claro. See *Knaresborough and Claro Banking Company.*

Clerks. See *Officers. Transfer of Shares.*

Clifford, Mr. [1837.] Particulars of his visit of inspection to the Cork branch of the Agricultural and Commercial Bank, *Goodier* 3408.

Clitheroe. See *Colne, Clitheroe & Keighley Branch Bank.*

Clones Branch Bank. [1837.] That branch of the Agricultural Bank was very well managed, *Crosse* 3687-3693.

Colne, Clitheroe and Keighley Branch Bank. [1837.] Amount received by the Northern and Central Bank for the goodwill of that establishment, *Moult* 922.

Commerce. [1836.] Commercial affairs of the country less able to meet a crisis than ever, owing to extension by the means of rediscounts, *Martin* 2338.

Commercial Bank of England, Manchester. [1836.] Number and situation of its branches; amount of nominal and paid-up capital; number and value of shares; rate of dividend; date of deed of settlement and number of signatures; number of shares held by the bank; date at which bank-post bills are issued; rate of interest on deposits, &c.; [1836,] *App. p.* 226, 227; [1837,] *App. p.* 30, 31.

Commercial Securities. See *Bills of Exchange,* 1.

Commission. See *London Bankers.*

Commission on Discounts:

[1836.] Rate charged by the Gloucestershire and Birmingham Banking Companies, *James* 885, *Gibbins* 1236, 1237——Scotch banks charge more commission than joint stock banks, *Stuckey* 1537——Commission charged by joint stock banks for discounts is regulated by the competition of other banking concerns, *Gibbins* 1277–1282.

[1837.] Rate charged by the National Provincial Bank, *Robertson* 2358, 2359——Rate of commission charged according to the quality of the paper discounted, *Robertson* 2323. 2326.

Common Law. [1837.] Proprietors of joint stock banks have no remedy against the directors at common law, *Mahony* 3833.

Competition. [1836.] Joint stock banks outbid private bankers in the rate of interest they charge, and not taking commission on overdrawn accounts, *Harding* 2264.

See also *Commission on Discounts. Private Bankers. Small Notes.*

Confidential Directors. [1836.] Nature of their duty as provided in the deeds of settlement, *Rep. p.* vii.

Congleton. See *Macclesfield and Congleton Branch Banks.*

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Copland, Charles, Esq. [1837.] Letter from him, as manager of the Royal Bank of Ireland, to the Right hon. the Chancellor of the Exchequer, *App. p.* 170.

Cordukes, Mr. *Jonathan.* [1837.] Steps taken by him on behalf of the Belfast shareholders in the Agricultural and Commercial Bank, *Dwyer* 2907.

Cork Branch Bank. [1837.] Report of the Agricultural Bank relative to the prosperity of the branch banks at Cork, Waterford, and other districts, *Dwyer* 2631, *p.* 149–151—— Manner in which that branch was conducted and bad state the accounts were found in upon the auditors' visit thereto; extent of the peculation at that branch, *Goodier* 3402–3420.——*See* also *Bennett,* Mr. *Clifford,* Mr.

Cornwall. See *Devon and Cornwall Banking Company. Western District Banking Company for Devon and Cornwall.*

Correspondence. [1836.] Letter from witness to the Chancellor of the Exchequer, in answer to a private circular sent to joint stock banks, *Amery* 677, *p.* 42, 43——Letter from General Austin to the Chancellor of the Exchequer, communicating his views of the system of joint stock banks, *Austin* 2152, p. 129, 130.

Counsel's Opinion. [1837.] Names of the counsel whose opinions were taken upon the case of Bank of England notes being a legal tender in Ireland, and manner in which their opinions differed, *Mahony* 4061.
See also *Campbell,* Sir *John. Warren and Pigott,* Messrs.

Country Banks. [1836.] Much money sent up from the country to be employed in discounts in the London market, *Gurney* 2596–2602.
See also *Bank of England,* 1. *Exchanges. Private Bankers. Rediscounting Bills of Exchange. Remittances.*

County of Gloucester Bank. [1837.] Number and situation of branches; amount of nominal capital; number and value of shares; number of shares issued; amount of paid-up capital; places at which promissory notes are payable; rate of interest on deposits, &c. *App. p.* 26.

Coventry and Warwickshire Banking Company. [1836.] Number and situation of branches; number and value of shares; amount of nominal and paid-up capital; places notes payable at; rate of interest paid on deposits, &c.; [1836] *App. p.* 196; [1837] *App. p.* 21, 22.

Coventry Union Banking Company. [1836.] Number and situation of its branches; amount of nominal capital; number of shares, and nominal value of them; number of shares issued; amount of paid-up capital; places at which promissory notes are payable; rate of interest paid on deposits, &c.; [1836] *App. p.* 193; [1837] *App. p.* 1[illegible]

Credit:
[1836.] Private credit in times of great excitement is better than public credit, as instanced in 1825, *James* 802——Manner in which joint stock banks extend credit that private banks would not, *Harding* 2166–2168——Establishment of joint stock banks in the East Riding has extended credits that would never have been granted by private bankers, *Harding* 2164–2165——System pursued by joint stock banks is unsafe for themselves and the country, and will overturn the currency regulations altogether if not checked, *Harding* 2165——Joint stock banks have caused great losses to the public from the indiscreet accommodation given, and bolstering up houses in bad credit, *Martin* 2306——Public as well as the bank suffered very much from the Norwich and Norfolk Bank extending credit to unsafe persons, *Martin* 2299, 2300.
[1837.] Standard by which the Agricultural and Commercial Bank estimated the credit a person should have, *Dwyer* 2647——£.500 is the extent to which the Provincial Bank allow credits at their branch banks, *Marshall* 4325.
See also *Bills of Exchange,* 3. *Cash Credits. Losses,* 3. *Rediscounting Bills of Exchange.*

Crosse, John. [1837.] (Analysis of his Evidence.)—General inspector to the Agricultural and Commercial Bank, 3608–3614——Duties of an inspector, 3615–3622. 3638–3643——State of the Kilkenny Branch Bank on witness's visit to it in September, 3627–3653——Principal object of witness in visiting the branch banks in September was to get the deed of settlement signed, 3654–3658——State of the Ennis branch on witness's inspection of it; irregular manner in which the books were kept, 3661–3665——Reason why witness did not come prepared with the particulars of the several branch banks of the Agricultural and Commercial Bank, 3669–3681——Branch banks at Clones and Dungannon were very well managed, 3683–3686——State of the Castlebar branch, and cause of the books being in arrear, 3687–3693——Inspector had no means of checking the returns made to the head office by the branches in order to ascertain their correctness, 3694——No notice taken of the bad debts at the branch banks, they all being submitted to the head office, 3695, 3696——Names of the branches that were inspected by witness in September 1836, and examination thereon, 3698–3744.

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Crosse, John. (Analysis of his Evidence)—*continued.*

Examination as to whether Alderman Watson ever executed the deed of the Agricultural and Commercial Bank, 3745–3749——Not aware of any account being kept of the number of shares issued, and amount of paid-up capital of the bank, 3750–3753——Reason why witness could never see the books of the bank, 3753–3762——The account of all notes issued by the bank was supposed to be kept at the head office, 3763–3769——Manner in which the note account was kept at the several branches, 3770–3778——No means of comparing the accounts of the branch banks with those rendered by the branches to the head office, 3779–3781——Examination respecting the character of the bills discounted by the Agricultural and Commercial Bank, 3782–3802——Evidence relative to the number of processes issued at the suit of the Agricultural Bank, 3803–3806——Small bills of the bank frequently discharged in payment by renewal with the parties, 3807–3809.

Cumberland. See *Carlisle and Cumberland Joint Stock Banks.*

Cumberland Union Bank. Number and situation of branches; amount of nominal capital; number and value of shares; number of shares issued; amount of paid-up capital; date of the several calls for paid-up capital, and amount of the several instalments; rate of dividends declared, and variations therein; date of deed of settlement, and number of signatures attached thereto, &c. *App. p.* 28.

Cunliffe, Brooks and Cunliffe. [1837.] Principle upon which the Agricultural and Commercial Bank conducted their business with them, *Dwyer* 2835.

Currency. See *Credit. Rediscounting Bills of Exchange.*

Current Bills. [1837.] Nature of those of the Agricultural and Commercial Bank, as delivered in the auditor's report, *Dwyer* 3175–3182——Cause of the current bills at the head office of the Agricultural Bank being over estimated, *Dwyer* 2962–2973.

Customers. See *Advances to Customers. Reserved Shares. Shareholders.*

Customers' Accounts. [1836.] Provisions in the several deeds of settlement for observing secresy as to the state of customers' accounts, *Rep. p.* vi, vii——The most inviolable secresy should be observed with regard to customers' accounts in the reports and balance sheets submitted by the directors to the shareholders, *Austin* 2152, *p.* 130.

Darlington District Joint Stock Banking Company. [1836.] Number and situation of its branches; amount of nominal and paid-up capital; number and value of shares; number issued; rate of dividend and variations therein; rate of interest on deposits; places notes and bills payable at, &c.; [1836] *App. p.* 204, 205; [1837] *App. p.* 54.

Debts. See *Bad Debts.*

Deeds of Settlement:

[1836.] Nature of their leading provisions, and extent to which they vary, *Rep. p.* v–viii——Deficiency of the law as respects deeds of settlement, *Rep. p.* viii——Should be inspected by some competent authority previous to the bank commencing business, *James* 760, *Stuckey* 1499. 1504, *Austin* 2121–2128. 2152, *p.* 130, *Martin* 2390–2394, *Gurney* 2491——Deeds should be registered in an office of public record, *Martin* 2431.

Privy Council or Board of Trade should have the power of supervising them, *Stuckey* 1504——The public and proprietors should have power of reference to deeds of settlement, *Martin* 2394——All persons should be furnished with a copy of the deed of settlement previous to being called upon to sign it, *James* 757–759——No by-law or alteration affecting the bank should be permitted without the consent of the whole body of shareholders, *Martin* 2431——Shareholders of the Northern and Central Bank cannot receive their dividends without signing the deed of partnership, *Cassels* 1573——Proprietors of the North of England Bank have the power of altering the whole of the deed of settlement if they choose, *Austin* 2113–2118.

Intention of the directors of the North of England Joint Stock Bank, with the consent of the proprietors, to make an alteration in the deed of settlement relative to the declaration of dividends, *Austin* 2107–2112——Nature of the provision in the deed of settlement of the Norwich and Norfolk Bank relative to the dissolution of the concern, *Bignold* 2773——Deed of settlement of the Norwich and Norfolk Joint Stock Bank did not require any report to be made to the shareholders at their annual meeting, *Gilbert* 159–162.

[1837.] The same law applies to joint stock banks in England, Ireland and Scotland, *Mahony* 3869——Desirable that Government should appoint some eminent person to supervise the deeds of settlement of joint stock banks, *Goodier* 3529–3533, *Mahony* 3894, 3895, *Marshall* 4504——Enrolment of the deeds of joint stock banks, with the names of parties attached, previous to the registry, recommended, *Mahony* 3866——All deeds should be lodged with the Board of Trade for their inspection and sanction prior to their transmission to the Stamp-office, there to remain for the inspection of all parties interested, *Mahony* 3932——Should be framed so as to prevent the chance of contests amongst the partners, *Mahony* 3917——Manner in which deeds of partnership are usually

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usually drawn up; the deed of settlement of the Agricultural Bank must have been intentionally framed, *Mahony* 3889–3892——In the Agricultural Bank's deed of settlement no power is given either to apply for an Act of Parliament or for a charter, so that it is not possible for the proprietors to amend their deed, if any person holding a share disputes their right, *Mahony* 3932——Great unwillingness of the shareholders of the Agricultural and Commercial Bank to sign the deed of settlement from the personal liability they subjected themselves to, *Dwyer* 2597——Steps taken by the directors of the Agricultural and Commercial Bank to oblige the non-conforming shareholders to sign the deed, *Dwyer* 2603–2607.

See also *Advances to Customers. Auditors. Balance Sheets*, 1. *Belfast Branch Bank. Board of Trade. Charters. Confidential Directors. Customers' Accounts. Dissolution of Partnership. Dividends. Foreign Securities. Forfeiture of Shares. Gloucestershire. Banking Company. Guarantee Fund. Inspection of Accounts. Land. Liability of Shareholders. Mining Companies. Pleas in Abatement. Profit and Loss. Registration of Shareholders. Reserved Fund. Transfer of Shares. Value of Shares.*

Denbigh. See *Wrexham, Oswestry, Mold, Holywell and Denbigh Branch Bank.*

Deposits:

[1836.] Essential principle in banking that all the deposits should be invested in convertible securities, *Martin* 2372——Amount of deposit accounts at the period of the transfer of the Norwich and Norfolk Bank to the East of England Bank, *Bignold* 2789.

[1837.] Difference in the amount of deposits furnished to the Bank of England by witness, and the statement sent from the Northern and Central Bank at Manchester, *Braidley* 1489. 1517——Northern and Central Bank is entitled to refuse payment of deposits without a previous notice from customers, *Evans* 1202, 1203.

See also *Bank of England*, 1. *Cash Credits. Discrepancies in Accounts*, 1. *Interest*, 5. *Manchester Bankers. Withdrawal of Deposits.*

Derby and Derbyshire Banking Company. [1836.] Number and situation of branches; amount of nominal and paid-up capital; number and value of shares issued; rate of dividend; number of signatures to deed of settlement; places notes payable at; rate of interest on deposits, &c.; [1836] *App. p.* 237; [1837] *App. p.* 4, 5.

Derbyshire North Banking Company. See *Chesterfield and North Derbyshire Banking Company.*

Dereham Branch Bank. [1836.] Amount of the loss sustained by the Norwich and Norfolk Joint Stock Bank at that branch, *Gilbert* 197–204——Losses sustained by the Norwich and Norfolk Bank at that agency, through Cooper and Miles, were protected, *Bignold* 2697–2701.

Devon and Cornwall Banking Company. [1836.] Originally "The Plymouth and Devonport Banking Company;" number and situation of its branches; amount of nominal and paid-up capital; number and value of its shares; number issued; rate of dividend and variations therein; number of signatures to deed of settlement; places at which promissory notes are made payable; rate of interest on deposits, &c.; [1836] *App. p.* 222, 223; [1837] *App. p.* 45, 46.

See also *Western District Banking Company for Devon and Cornwall.*

Directors of Joint Stock Banks:

1. *Generally.*
2. *Norwich and Norfolk Joint Stock Bank.*
3. *Agricultural and Commercial Bank.*
4. *Northern and Central Bank.*
5. *North of England Bank.*
6. *Provincial Bank of Ireland.*
7. *National Provincial Bank.*

1. *Generally.*

[1836.] Should be punishable for any wilful or corrupt acts, and should go out every three years, and not be eligible for re-election for a certain period, *Martin* 2431.

[1837.] Defect in the Act of Parliament with respect to proprietors having any remedy against the directors of joint stock banks for misappropriation of the capital, or for misconducting the affairs of the bank, *Mahony* 3929*——Danger that arises to the proprietors of joint stock banks in the event of dishonest or incompetent persons being selected for the management of the business, *Mahony* 3820, 3821——System of directors holding shares without paying up the capital highly objectionable, *Braidley* 1671–1674——No means of removing a director except by a Bill in Chancery, *Mahony* 3826.*

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2. *Norwich and Norfolk Joint Stock Bank:*

[1836.] Amount of a director's qualification in the Norwich and Norfolk Joint Stock Bank, *Gilbert* 111–113——Those of the Norwich and Norfolk Bank never derived the least profit from the sale of shares, *Bignold* 2797——Have guaranteed whatever loss may fall upon Norwich and Norfolk Joint Stock Bank, *Bignold* 2804——Great desire on the part of the directors of the Norwich and Norfolk Joint Stock Banks to fill up the vacancies in the board, but nobody would qualify for the office, *Bignold* 2757, 2758.

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1. *Northern and Central Bank.*

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[1837.] National Provincial Bank is prevented by its deed of settlement from investing capital in foreign securities, *Robertson* 2345.

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2. *On Advances to Customers*.
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[1837.] Regular advices of the proceedings at the Provincial Bank's branches are transmitted by the managers to London every second or third day, *Marshall* 4362.

5. *Agricultural and Commercial Bank.*

[1837.] Object of the Agricultural Bank taking the stock off their manager's hands at a discount, *Dwyer* 3007——Cause of the Agricultural Bank returning witness as a shareholder of the bank, though he acted as a manager, without taking shares, *Dundas* 4262–4293——The managers of the Agricultural branch banks were in the habit of drawing bills upon parties in the country, and raising money upon them for the purposes of the bank, *Dundas* 4182——Witness received a letter from Mr. Mooney, stating the Agricultural Bank to be deficient 162,000 *l.*, and that the manager at Strabane had been exceedingly useful to them in raising money, *Dundas* 4185.

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Manchester Bankers. [1837.] Have the option of treating a deposit account as such, or as a cash credit account, *Braidley* 1503.

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Manchester and Salford Bank. [1837.] Amount of nominal capital; number and value of shares; number of shares issued, and amount of paid-up capital; date of the several calls for paid-up capital, and amount of instalments; number of signatures to the deed of settlement; place bills are made payable at; rate of interest on deposits, &c. *App. p.* 41, 42.

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MEETINGS OF SHAREHOLDERS.

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1. *Agricultural and Commercial Bank:*

[1837.] Particulars of the meetings of the proprietors of the Agricultural Bank subsequent to their stoppage, and scene of confusion that ensued; vast numbers attended from all parts of Ireland, particularly from Belfast, *Dwyer* 2795. 2814–2829. 2907–2937, *Goodier* 3331–3339. 3581–3589, *Mahony* 3975–3980——It was the desire of the shareholders to make witness their spokesman at their meeting, but was objected to on the ground of not being a proprietor, *Mahony* 3976——Defect in the deed of settlement of the Agricultural Bank as regards the right of shareholders to hold meetings, *Mahony* 3896——Case of 31 of the shareholders of the Agricultural Bank sending five requisitions for the purpose of calling a meeting, and without any effect, *Mahony* 3968.

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[1837.] Easy state of the discount market in London during 1834 and 1835, and effect it had in increasing joint stock banks, and the extension of their branches, *Moult* 833–844——Bank of England issuing their paper through the medium of joint stock banks was the cause of the recent pressure in the money market, *Gilbart* 2066. 2068.

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North Wilts Banking Company. [1836.] Number of branches, and distance from the central bank; amount of nominal and paid-up capital; number and value of shares; number issued; date and amount of calls; number of signatures to deed of settlement; places notes payable at; rate of interest on deposits, &c., *App. p.* 219, 220; [1387] *App. p.* 93.

Northamptonshire Banking Company. [1837.] Number and situation of its branches; amount of nominal capital; number and value of shares; number of shares issued, and amount of paid-up capital; date of the several calls, and amount of the several instalments paid-up; date of deed of settlement, and number of signatures it bears; places at which promissory notes are payable; rate of interest on deposits, &c., *App. p.* 2.

Northamptonshire Union Bank. [1837.] Number and situation of its branches; amount of nominal capital; number of shares, and their value; number of shares issued, and amount of paid-up capital; date of the several calls, and amount of the several instalments; date of deed of settlement, and number of signatures thereto; places at which promissory notes are payable, &c., *App. p.* 2, 3.

Northern and Central Bank:

1. *General Affairs, and System of Management.*
2. *Application to the Bank of England for Assistance.*
3. *Allotment of Shares among the Directors, and mode of Payment.*
4. *Advances made to the Directors and Officers of the Bank.*
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1. *General Affairs, and System of Management:*

[1836.] Number of shares subscribed for previous to commencing business, *Cassels* 1566——Class of persons selected to become shareholders, and objection to allowing ladies to take shares, *Cassels* 1568, 1569——Number of shareholders, *Cassels* 1572——Particulars respecting their assets and liabilities, *Cassels* 1866–1885——Amount of balance usually kept in London; manner in which the bank conducts their business with their bill-brokers, *Cassels* 1753–1762——Never draw bills to provide cash for their London bankers, *Cassels* 1859——Explanation relative to certain bills supposed to have been drawn for the purpose of supplying their London bankers with cash, *Cassels* 1859–1864——Ground upon which the Northern and Central Bank usually accept bills, *Cassels* 1605——Refused to draw bills at three months, until their customers threatened to go to Jones, Loyd & Co., *Cassels* 1697——Circulation of their own notes is not the object of the Northern and Central Bank, *Cassels* 1810——Manner in which the Northern and Central Bank is prepared to meet any great demand suddenly made upon it, *Cassels* 1745–1752. 1821——Resources the Northern and Central Bank would procure assistance from in the event of its being denied them by their London bankers and bill-brokers, *Cassels* 1821. 1826. 1855–1858.

[1837.] Return of the number of shares, and amount of the paid-up capital of the Northern and Central Bank, *Braidley* 1670——Statement of securities in hand, deposit and credit balances, cash and circulation, according to returns to 3d December 1836, *Freshfield* 1856, *p.* 96——Weekly abstract of business at head office and branches on 31st December 1836, *Freshfield* 1856, *p.* 97——Amount of Northern and Central Bank of England notes entered for circulation, 31st December 1836, *Freshfield* 1856, *p.* 98.

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Evidence respecting the bill transactions of the Northern and Central Bank, and the profit derived thereon, *Moult* 933–942——Distinction always made between undue bills and past due bills in the weekly statements submitted to the board of directors, *Lyle* 1690——Plan adopted by the Northern and Central Bank of getting their paper discounted, when the Bank of England refused to discount for joint stock banks of issue, *Moult* 811, 812.

2. *Application to the Bank of England for Assistance:*

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5. *Papers laid before the Committee:*

[1836.] Number and situation of its branches; number and value of shares; number issued; amount of paid-up capital; date of the several calls and amount of instalments; rate of dividend and variation therein; date of deed of settlement, and number of signatures thereto; right of the proprietors to appoint auditors; places whereat notes and

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Northern Banking Company. [1837.] Number and situation of branches; amount of nominal capital; number and value of shares; number of shares issued; amount of paid-up capital; date of the several calls, and amount of instalments on shares; variations in the rate of dividends; number of signatures to the deed of settlement; places at which promissory notes are made payable; rate of interest on deposits, &c.; *App. p.* 55, 56.

Northumberland and Durham District Bank. [1837.] Number and situation of branches and agencies; amount of nominal capital; number of shares, and their value; number of shares issued; amount of paid-up capital; rate of dividend; date of deed of settlement, and number of signatures attached to it; places at which promissory notes are payable; rate of interest paid on deposits, &c.; *App. p.* 77.

Norwich and Norfolk Joint Stock Bank:

1. *Generally.*
2. *Its Losses.*
3. *Transfer of its Business to the East of England Bank.*

1. *Generally:*

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2. *Its Losses:*

[1836.] Manner in which customers of the Norwich and Norfolk Joint Stock Bank were allowed to overdraw their accounts, and losses sustained in consequence, *Gilbert* 149, 150——Particulars respecting the losses sustained by them through their agents, *Martin* 2293–2295——The bank lost between 60,000*l.* and 70,000*l.* by one firm whom they had supported, *Martin* 2299, 2300——Amount of the paid-up capital when Mr. Batley's failure occurred, *Bignold* 2669–2672——Reason why the directors of the Norwich and Norfolk bank did not call a meeting of the shareholders for the purpose of dissolving the company after Batley's failure, *Bignold* 2777——Prosperity of the bank mainly depended upon the state of agriculture, *Nimmo* 446——The bank was of great benefit to the private bankers, from the bad accounts they took off their hands, *Martin* 2297–2298.

3. *Transfer of its Business to the East of England Bank:*

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Nottingham and Nottinghamshire Banking Company. [1837.] Situation of its branches; amount of nominal capital; number and value of its shares; number of shares issued; amount of paid-up capital; date of the several calls, and amount of instalments; place at which promissory notes are payable, *App. p.* 90.

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Old Bank, Bristol. [1837.] Amount of paid-up capital; date of articles of partnership; places at which promissory notes are payable; rate of interest allowed on deposits, &c., *App. p.* 102.

Oldham Banking Company. [1837.] Amount of nominal capital; number and value of shares; number of shares issued; amount of paid-up capital; date of the several calls, and amount of instalments; places at which promissory notes are payable; rate of interest allowed on deposits, &c., *App. p.* 97, 98.

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Outfit Account. [1837.] Auditors could gain no information from the consultation committee of the Agricultural Bank relative to the one shilling per share outfit account, *Goodier* 3483–3487.

Overdrawn Accounts:

[1836.] Important that proprietors should be made acquainted with the state of the over-drawn accounts, *Gurney* 2547—— System very unsafe, and never allowed in Scotch banks without security, *Robertson* 2908, 2909——No partner in a joint stock bank should be allowed to overdraw his account, *Harding* 2247——Amount of over-drawn balances, and security usually taken for the same by the Northern and Central Bank, *Cassels* 1794–1805——Proprietors would be allowed to draw to the amount of their paid-up capital without security, *Cassels* 1806, 1807.

[1837.] Practice in the north of Ireland to allow persons to over-draw on their personal credit, *Dwyer* 2690——Amount of the over-drawn accounts of the Northern and Central Bank, as stated to the Bank of England, *Evans* 1189——Amount owing to the Northern and Central Bank by its own directors and clerks, *Freshfield* 1890, 1891——Shareholders of the Northern and Central Bank had great objection to men in business inspecting the over-drawn accounts of the bank, *Braidley* 1632—— Difference between those furnished the Bank of England by witness and the statement sent from the Northern and Central Bank at Manchester, *Braidley* 1489——Application made to the directors and all parties to liquidate their over-drawn accounts immediately the pressure on the Northern and Central Bank became manifest, *Moult* 124–134——Mode adopted by the Northern and Central Bank to reduce their over-drawn accounts previous to the investigation of their affairs by the Bank of England, *Evans* 1285–1295——Reason why the Northern and Central Bank could not obtain payment of their over-drawn accounts at the time of the pressure, *Moult* 69–75.

Difficulties of the Northern and Central Bank attributed to their over-drawn accounts, *Moult* 91, *Gilbart* 2027, 2028. 2139–2144——The over-drawn accounts of the Agricultural Bank were returned in the balance-sheet as available assets, *Goodier* 3492–3496 ——Greater part of those of the National Provincial Bank were made over to it from private banks, *Robertson* 2317–2319——Cause of those of the National Provincial Bank appearing so large, *Robertson* 2288.

See also *Agnew*, Mr. *Cassels*, Mr. *Interest*, 4. *Lien upon Shares. Security.*

Over-due Bills. See *Past-due Bills.*

Over-trading. [1836.] Manner in which joint stock banks induce people to over-trade, *Harding* 2235, 2236, *Martin* 2419, 2420——Joint stock banks might promote a system of over-trading without the quality of the bills leading to its detection, *Gurney* 2589–2591——Banks have the power of promoting over-trading without issuing their own paper, *Martin* 2368.

PAID-UP CAPITAL:

1. *Generally.*
2. *Agricultural and Commercial Bank.*
3. *North of England Joint Stock Bank.*
4. *Norwich and Norfolk Joint Stock Bank.*
5. *Northern and Central Bank.*
6. *National Provincial Bank.*

1. *Generally:*

[1836.] The law does not enforce any rule with respect to the amount of capital paid up previous to commencing business, *Rep. p.* viii——One half of the nominal capital should be paid up previous to banks commencing business, *James* 741——Proportion of capital necessary for a bank to have paid up previous to commencing business, *Gibbins* 1048–1053——Reason why it would be difficult to define the amount of paid-up capital for joint stock banks, *Gurney* 2518——An adequate paid-up capital essentially necessary for joint stock banks to commence with, *Harding* 2272, *p.* 139.

The principle of allowing banks to commence without defining the amount of their paid-up capital requires regulation, *Amery* 647–649, *James* 697, 698, *Gurney* 2512; [1837] *Gilbart* 2115——No difference to the public whether a bank commences business with a capital of 20,000 *l.* or 50,000 *l.*, *Gibbins* 1041——Whole of the capital on shares in joint stock banks should be required to be paid up, *Cassels* 1652–1659, *Austin* 2152, *p.* 130, *Martin* 2402, 2403——Reason why it would not be desirable to make any alteration in the amount of the paid-up capital of the shares of the Gloucestershire and Birmingham banking companies, *Gibbins* 1258.

[1837.] Banks should be obliged to give security that a certain amount of shares was *boná fide* subscribed for previous to commencing business, *Goodier* 3527——Board of Trade should have the power of regulating the amount a joint stock bank should have paid up previous to its commencing operations, *Mahony* 3932. 3944——Practice of joint stock banks commencing operations without any given amount of capital being paid up on the shares which are subscribed for, is the greatest possible abuse of the principles of joint stock banking, *Marshall* 4507——Defects in the Act of Parliament with

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with regard to joint stock banks commencing business without any paid-up capital, as instanced in the case of the Agricultural and Commercial Bank, *Mahony* 3929——Larger the amount of capital paid up, the more respectable the constituency of a joint stock bank, *Robertson* 2262, 2263——Reason why it is disadvantageous to commence business with the whole amount of capital paid up, *Robertson* 2409–2419. 2443–2447.

2. *Agricultural and Commercial Bank:*

[1837.] Amount of the paid-up capital of the Agricultural and Commercial Bank in April 1836, *Dwyer* 2809–2813——Report of the Agricultural and Commercial Bank of Ireland relative to increasing the amount of their paid-up capital, 2631——Cause of the amount of the paid-up capital of the Agricultural and Commercial Bank varying from the original statement, *Dwyer* 2697. 2700——No means of ascertaining the amount of paid-up capital of the Agricultural and Commercial Bank, *Goodier* 3566–3570. 3578–3580, *Dundas* 4261——Amount of paid-up capital required at a branch establishment of the Agricultural and Commercial Bank previous to commencing business, *Dwyer* 2546, 2547——Agricultural and Commercial Bank, with a nominal capital of five millions, commenced operations at Nenagh with 500 *l.* paid-up capital, and by the most exaggerated statements did not exceed 1,800 *l.*, *Mahony* 3929——The local directors of the Belfast Branch Bank were determined not to commence business with less than 25,000 *l.*, but could only get 15,000 *l.*, *Dundas* 4190, 4191.

3. *North of England Joint Stock Bank:*

[1836.] Amount of the paid-up capital of the North of England Joint Stock Bank, *Austin* 1914.

4. *Norwich and Norfolk Joint Stock Bank:*

[1836.] Amount of the paid-up capital of the Norwich and Norfolk Joint Stock Bank, *Gilbert* 157. 170, 171, *Nimmo* 442——Purposes the paid-up capital of the Norwich and Norfolk Joint Stock Bank was applied to, *Nimmo* 453.

5. *Northern and Central Bank:*

[1836.] Amount of the paid-up capital of the Northern and Central Bank, *Cassels* 1703.

[1837.] Evidence respecting the amount of the paid-up capital of the Northern and Central Bank, as returned in the year 1836, *Lyle* 1096–1104, *Moult* 120.

6. *National Provincial Bank:*

[1837.] Amount of the paid-up capital of the National Provincial Bank, *Robertson* 2252.

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Palmer, Mr. *Horsley.* [1837.] Extent to which he offered, on the part of the Bank of England, to render assistance to the Northern and Central Bank, *Evans* 1167, 1168, *Braidley* 1523. 1531.

Palmer, Mr., of Longford. [1837.] Case of the Agricultural and Commercial Bank taking his shares at the market price, instead of at par, on his resigning the management, *Dwyer* 3008.

PANICS IN THE MONEY MARKET:

1. *Generally.*
2. *Panic of* 1825.
3. *Panic of* 1836–37.

1. *Generally:*

[1836.] Pressure for money indicates itself in the fastidiousness as to date of bills, and character of the indorsements, *Gurney* 2608.

[1837.] Panics that have occurred since the establishment of the Provincial Bank have manifested themselves very much by the occurrences at the fairs and markets in Ireland, *Marshall* 4559——The general distress during a run is increased by the solvent banks curtailing accommodation, instead of affording it, *Mahony* 3951——Making Bank of England notes a legal tender in Ireland would greatly relieve banking establishments from panics, *Mahony* 4075.

2. *Panic of* 1825:

[1836.] Was not in consequence of the indiscriminate advance of money by private bankers, *Harding* 2241——Very great assistance given to traders and agriculturists in Norfolk and Suffolk by witness's bank at that period, *Martin* 2359.

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3. *Panic of* 1836–37:

[1837.] *In England.* Period at which the pressure in the money-market became evident, and how accounted for, *Moult* 873–881, *Gilbart* 1922–1926.

In Ireland. The pressure first manifested itself by a run upon the Agricultural and Commercial Bank; it did not commence upon any of the country banks until it was notorious in Dublin, *Mahony* 4015–4021. 4039——Pressure manifested itself most strongly in the north of Ireland, *Marshall* 4473, 4474——Causes which operated to make it so severe, *Marshall* 4476——Causes to which the commercial crisis of 1836 is to be attributed, *Marshall* 4475——Steps taken by the National Provincial Bank to guard against the pressure, *Robertson* 2327. 2338.

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Pares's Leicestershire Banking Company. [1836.] Number and situation of branches; amount of nominal and paid-up capital; number and value of shares; date of calls, and amount of instalments; rate of interest on deposits, &c., [1836] *App. p.* 201, 202; [1837] *App. p.* 65.

Parish & Co. [1836.] Manner in which bills are negotiated by them at Hamburgh through Hoare, Barnett & Co., or Grote, Prescott & Co., *Cassels* 1605.

Parliamentary Inquiry. [1837.] All the troubles of the Agricultural and Commercial Bank attributed to the Committee of 1836 recommending to joint stock banks to have a large paid-up capital, *Dwyer* 3200.

Partners. [1836.] Number of partners in joint stock banks very dangerous without proper regulations, *Harding* 2244——However numerous in joint stock banks, should be select as in private banks, *Harding* 2272, *p.* 139——Should never be allowed to overdraw their accounts without security over and above the value of their shares, *Harding* 2272, *p.* 139——State of the law respecting the registry of partners previous to obtaining a licence, *Wood* 2460–2462.

[1837.] Chief defect in joint stock banks is the law of partnership, and the number of partners to be sued, *Mahony* 3880–3888.

See also *Chancery*, Court of. *Charters. Dissolution of Partnership. Overdrawn Accounts.*

Past Due Bills:

[1836.] Mode adopted by the Manchester and Liverpool Banking Company with respect to past-due bills of exchange, *Jackson* 66——Increase of over-due bills sure evidence of the bad management of a bank, *Gurney* 2545, 2546——Explanation relative to those of the Somersetshire Banking Company, *Stuckey* 1363–1376.

[1837.] Increase in the amount of over-due bills of the Agricultural Bank attributed to the suspension of the bank, and the differences amongst the copartners, *Dwyer* 2776——How the past-due bills of the Agricultural Bank are accounted for; steps taken to enforce payment of them, *Dwyer* 3191–3196——All past-due bills of the Agricultural and Commercial Bank were returned as assets to the full amount in the balance-sheets, *Goodier* 3477. 3488–3491——Amount of past-due bills held by the Northern and Central Bank, and manner in which they increased latterly, *Moult* 187–189——Instruction to managers at branch banks never to discount for parties having past-due bills, *Robertson* 2396——Cause of the past-due bills of the Northern and Central Bank being included among the assets in the accounts submitted to the bank directors, *Lyle* 1683–1704.

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Pattison, Mr. M. P. [1837.] His refusal on the part of the Bank of England to render assistance to the Agricultural and Commercial Bank, *Dwyer* 3059–3064.

Peculations. See *Cork Branch Bank.*

Penalties. [1836.] Auditors and directors should be subject to penalties if they did not satisfactorily discharge the duties of their office, *Austin* 2152, *p.* 130.

Periodical Returns:

[1836.] Quantity of gold and silver in the Bank of England always attended to in regulating the issues of the Northern and Central Bank, *Cassels* 1813–1817.

[1837.] Nature of the agreement entered into by the Provincial Bank with the Bank of Ireland relative to making a confidential return to the Chancellor of the Exchequer for the time being of the amount of notes which they had issued, and amount of gold in hand to answer those notes, *Marshall* 4381——The Provincial Bank are obliged to make

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make half-yearly returns to the Stamp-office, besides the quarterly return to the Chancellor of the Exchequer, *Marshall* 4394——Objection to joint stock banks making a periodical return of their assets and liabilities the same as the Bank of England, *Gilbart* 2129–2132. 2146. 2148——Returns of the gross transactions of joint stock banks would be desirable without publishing the circulation of individual banks, *Gilbart* 2149–2154.

See also *Bank of England*, 1. *Bullion. Circulation. Huskisson*, Mr. *Publication of Accounts.*

Plate Glass Company. [1837.] Cause of witness and Mr. Agnew having shares in the Northern and Central Bank apportioned to them as directors of the Plate Glass Company, *Moult* 502–522——Reason why the shares of the Northern and Central Bank were allotted to the directors of the Plate Glass Company at a higher premium than they bore in the market, *Moult* 523–530.

Pleas in Abatement. [1837.] Deeds of partnership might be drawn so as to exclude parties from pleas of abatement, *Mahony* 3898.

Plymouth and Devonport Banking Company. See *Devon and Cornwall Banking Company.*

Poorer Classes. [1837.] Great many of the poorer classes in Belfast withdrew their money from the savings banks and invested it in the Agricultural and Commercial Bank, from the success attendant upon like establishments in the north, *Dundas* 4143——Poorer class of shareholders were generally ignorant of the liabilities they were subject to by becoming proprietors of Agricultural Bank shares, *Dundas* 4158, 4159.

See also *Belfast Branch Bank. Frauds.*

Post Bills. [1836.] Date at which those of the Northern and Central Bank are payable, *Cassels* 1599——Manner remittances are made by country banks by post bills, and amount of commission charged, *Stuckey* 1383–1390.

See also *Bank Post Bills.*

Potts, Mr. [1837.] Transaction between him and the Agricultural and Commercial Bank relative to the renewal of his bill for the amount of his shares in the bank, *Goodier* 3502, 3503.

Premium on Shares:

[1836.] Premium at which the Stourbridge and Kidderminster Bank shares sold, *Amery* 557–563——The Northern and Central Bank, *Cassels* 1586——Premium at which the reserved shares of the Norwich and Norfolk Joint Stock Bank were issued, *Bignold* 2646–2648——Directors of the Northern and Central Bank had the power of varying the premium on their shares from the number they issued, *Cassels* 1578——Sale of shares at a premium always considered in making a dividend by the Northern and Central Bank, *Cassels* 1581——Premium derived from the sale of shares should be appropriated to a reserved fund, and never placed to the general account, *Martin* 2388——National Provincial Bank apply the premium on their shares issued as a reserved fund for the bank, *Robertson* 2871. 2893–2896——Premium on the reserved shares of the North of England Joint Stock Bank placed to the guarantee fund of that establishment, *Austin* 1915——Instance of the originators of a joint stock bank disposing of the shares to the public at a premium, *James* 711.

[1837.] Premium which the London and Westminster Bank shares bore at the time they were allotted to the directors of the Northern and Central Bank, *Moult* 258——Price of shares in the transfer-book of the Northern and Central Bank is no criterion of their value, *Moult* 527.——*See* also *Dividends. Shares. Stell*, Mr.

Prescott, Mr. See *Directors of the Bank of England.*

Pressure on the Money Market. See *Panics.*

Price of Bullion. See *Gazette*, The.

Price of Stocks. [1837.] The stock market in Dublin is so limited that it is not possible to bring any large amount of stock to market without materially affecting the price, *Marshall* 4404.

Prices. [1837.] Effect of an increased circulation on prices, *Gilbart* 2080, 2081—— Higher prices given at the small ports than at Limerick, and cause thereof, *Mahony* 3989–3992——Great falling off of prices since the bill accommodation ceased in September 1836, *Mahony* 3994. 3996.

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Private Bankers. [1836.] Competition of joint stock banks leads to the extinction of all private banks, *Rep. p. v.*, *James* 774. 778, *Harding* 2157–2165——Their withdrawal from business is caused by the joint stock banks absorbing the business of the country, *Amery* 570–573——Projectors of joint stock banks have a scheme to buy up all the private banks, *Martin* 2417——Distinction between joint stock banks

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and private bankers is, that the former solicit custom in every way, while the latter never ask for business, *Harding* 2236——Superiority of joint stock banks over private banks, *James* 686——Joint stock banks offer to the public a greater security than private banks, *Austin* 2129. 2152, *p.* 129——Cause of private bankers having lost the public confidence, *James* 686——Joint stock banks afford facilities to persons in trade that private bankers would not render, *James* 763–765.

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Private Fortunes of Bankers. [1836.] Manner in which they are employed to the best advantage of their customers' security, *Martin* 2370–2374.

Private Ledger, (Northern and Central Bank.) [1837.] Evidence respecting the private ledger of the Northern and Central Bank, and cause of its being withheld from the Bank of England directors, *Moult* 339. 351. 604–624. 639. 646, *Lyle* 1000–1084, *Braidley* 1564. 1568——Account to which the proceeds of shares entered in the private ledger were carried, *Lyle* 1081–1084——Explanation respecting certain alterations made in the entry of the promissory notes of the directors of the Northern and Central Bank, *Braidley* 1573——Amount of the deficiency therein, *Braidley* 1569–1572——Never heard of it until after the investigation by the Bank of England directors, *Braidley* 1587–1598——Particulars respecting the entries of the directors' share accounts therein, *Lyle* 1006–1024——Amount furnished the Bank of England directors as the balance of the private ledger, and nature of the entries made to effect it, *Lyle* 1032–1044. 1050——Period at which witness first heard of a private ledger being kept at the Northern and Central Bank, *Evans* 1244–1250——Evidence relative to some shares belonging to witness entered in the private ledger, *Evans* 1251–1271. 1302–1312——Examination respecting witness's own account in private ledger, and cause of the alterations made therein, *Lyle* 1045–1049. 1779. 1784.——Explanation respecting the entries and erasures in the private ledger, and authority upon which made, *Lyle* 1050–1069. 1741–1745——Whether the alterations in the private ledger were made in anticipation of a visit of inspection from the Bank of England directors, *Lyle* 1070–1080.

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Privy Council. See *Deeds of Settlement.*

Profit and Loss:

1. *Generally.*
2. *Northern and Central Bank.*

1. *Generally:*

[1836.] Banks should be compelled by deed of settlement to render an account to the proprietors of the profit and loss annually, *James* 755, 756——Difference in profit arising from taking money from the Bank of England at 3 per cent. and issuing promissory notes, *Cassels* 1688–1695——Joint stock banks possess very considerable advantage over private banks, from the circumstance of proprietors participating in the profits which their own capital creates, *Gibbins* 963–973.

2. *Northern and Central Bank:*

[1837.] Total sum of profit derived by the Northern and Central Bank from business accounts, from March 1834 to December 1836, *Moult* 153, *p.* 8——Statement of the profit and loss account of the Northern and Central Bank to 31st December 1834, *Lyle* 1762, *p.* 88——Statement of the profit and loss account to 31st December 1835, *Lyle* 1762, *p.* 88——Statement of the profits of the Northern and Central Bank, for half a year to 30th June 1836, *Lyle* 1762, *p.* 89——Statement of the profit and loss account of the Northern and Central Bank, to 31st December 1836, *Lyle* 1762, *p.* 90.

Projectors of Schemes. [1836.] Framers of joint stock banks in many cases have accommodated themselves, very much to the injury of the establishment, *Martin* 2296.

See also *Prospectus.*

Promissory Notes:

1. *Generally.*
2. *Places at which Notes are Issued and made Payable.*
3. *Agricultural and Commercial Bank.*
4. *Northern and Central Bank.*
5. *Gloucestershire Banking Company.*
6. *Provincial Bank of Ireland.*
7. *Norwich and Norfolk Joint Stock Bank.*
8. *Papers laid before the Committee.*

1. *Generally:*

[1836.] Their circulation cannot be forced as long as they are payable in gold and Bank of England notes on presentation, *Cassels* 1611–1624——Each bank should be required to publish the amount of notes issued, *Gurney* 2534, 2535.

2. *Places*

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2. *Places at which Notes are Issued and made Payable:*

[1836.] The law deficient as regards the payment of notes at places where issued, *Rep. p.* ix.——Description of notes issued; where dated and made payable: Stourbridge and Kidderminster, *Amery* 544. 547. 581. 589—Somersetshire Banking Company, *Stuckey* 1330—East Riding of Yorkshire, *Harding* 2198. 2206—East of England Banks, *Martin* 2279–2285—National Provincial Bank, *Robertson* 2824–2827. 2832. 2834; [1837] *Robertson* 2230. 2237——State of the law relative to the issue of promissory notes, as contained in bankers' licences, *Wood* 2459——Issuing notes from a variety of branches, and not making them payable from whence issued, is a very unsafe system, *Martin* 2282——All notes should be dated from where they are issued, and taken up there and at the parent bank, *Harding* 2272, *p.* 139.

[1837.] The Act relating to the Bank of England provides that where the Bank of England establishes a branch, it shall be bound to pay its notes at that branch, and in London also, *Mahony* 3946, 3947——State of the Scotch law relative to making notes payable at places whence issued, *Dwyer* 3183-3190——In Scotland, the notes issued at branch banks are payable in Edinburgh only, *Mahony* 3947——The double contract obliging notes to be made payable at the place whence issued, and in London also, is exclusively confined to the Bank of England, *Mahony* 3947, 3948——Belfast, Cork and Dublin should be the only three places in Ireland at which payment in gold should be made for the notes issued at the branches, *Mahony* 3945——Making notes payable at the branches is no check upon the management of the bank, *Mahony* 3949.

3. *Agricultural and Commercial Bank:*

[1837.] Amount of the gross circulation of the Agricultural and Commercial Bank, and amount of notes retired, with the amount of outstanding notes that have not been demanded, *Dwyer* 2764. 3149——Weekly statement of the notes in circulation of the Agricultural and Commercial Bank, from 1st October to the 31st December 1836, showing their gradual retirement, *Dwyer* 3013——Mode adopted by the Agricultural and Commercial Bank of ascertaining the amount of notes in circulation, *Dwyer* 2703. 2706——Number of notes actually retired since the stoppage of the bank, and amount in circulation at that period, *Dwyer* 2707–2709——Cause of the vast difference in the amount of outstanding notes of the Agricultural and Commercial Bank, *Dwyer* 3009 3012——The account of all notes of the Agricultural Bank was supposed to be kept at the head office; how kept at the several branch banks, *Crosse* 3770–3778——No account kept by the Agricultural and Commercial Bank of the amount of promissory notes in circulation, *Goodier* 3362–3365, *Dundas* 4174–4177.

4. *Northern and Central Bank:*

[1836.] Description of the notes issued by the Northern and Central Bank, where dated and made payable, *Cassels* 1556–1562——Manner in which the amount of notes in circulation is regulated by the head and branch offices of the Northern and Central Bank, *Cassels* 1607–1609. 1808.

5. *Gloucestershire Banking Company:*

[1836.] Description of notes issued by the Gloucestershire Banking Company, places where payable, &c. *Gibbins* 1264–1269——At their branch banks, *Gibbins* 1219. 1222.

6. *Provincial Bank of Ireland:*

[1837.] Of the Provincial Bank are uniformly dated at the place of issue and made payable there, *Marshall* 4371——Notes of the Provincial Bank issued at their branch banks are paid in Dublin though not legally bound so to do, *Marshall* 4375, 4376——All notes issued are entered in a register, and a return made weekly of the outstanding dependencies in the shape of promissory notes, *Marshall* 4456, 4457——With the Provincial Bank it is invariably the case that the notes are payable at the places where issued and wherever they are presented, *Mahony* 3947.

7. *Norwich and Norfolk Joint Stock Bank:*

[1836.] Amount of outstanding notes of the Norwich and Norfolk Bank, *Bignold* 2788.

8. *Papers laid before the Committee:*

[1837.] Return, showing the average amount of the circulation of unstamped promissory notes on which composition in lieu of stamp duty has been paid by the several banking establishments in Ireland, from the half year ending 31st December 1836, *App. p.* 168——An account of the aggregate amount of notes circulated in England and Wales by private banks and by joint stock banks and their branches, distinguishing private from joint stock banks, *App. p.* 168——Return, showing the average amount of the circulation of unstamped promissory notes on which composition in lieu of stamp duty has been paid (pursuant to the Act of 9 Geo. 4, c. 80) by the several banking establishments in Ireland, for each half-year from the commencement thereof to the 31st December 1836, *App. p.* 169.

See also *Acts of Parliament. Bank Post Bill. Bonds. Branch Banks*, 1. *Circulation. Discrepancies in Accounts*, 2. *Exchanging Notes. Gloucestershire Banking Company. Lansdowne's*, Lord, *Act. Profit and Loss. Registry of Promissory Notes. Small Notes.*

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Proprietors. See *Shareholders.*

Prospectus. [1836.] Desirable that persons wishing to create a joint stock bank should be obliged to insert their names in the prospectus, *Amery* 646, *James* 709.

Protest. [1837.] Nature of the protest entered on the minute-book of the Agricultural Bank by Mr. Mitchell, the manager, *Gresham* 3305–3308.

Provincial Bank of Ireland:

[1836.] Under the necessity of subdividing their large shares into small, for the purpose of extending their connexions, *Stuckey*, 1391. 1509.

[1837.] Period of its commencing operations, and its constitution when first established, *Marshall* 4319, 4320. 4326——Report to the proprietors annually; manner in which the report is prepared and by whom; it is published and circulated among the proprietors, *Marshall* 4303–4315——Manner in which the directors of the Provincial Bank transact their business; minutes of the daily committee are always submitted to the general court for review and confirmation, *Marshall*, 4357–4361——Mode of conducting their business in Dublin, *Mahony* 4117–4121——Cause of the prosperity of the Provincial Bank, *Marshall* 4537——Their object in issuing small shares, *Marshall* 4494.

Resolutions of the Provincial Bank with respect to their 10*l.* shareholders, *Marshall* 4541–4543——That bank would have been equally as illegal as the London and Westminster Bank, had an amendment not been introduced into the bank charter, making an exception in favour of the Provincial Bank, *Mahony* 4110——Are obliged to keep a certain amount of gold at each of their branches to meet their issues, and to make a return quarterly to the Chancellor of the Exchequer of the state of their issues and amount of their specie on hand, *Mahony* 4083——Measures taken by that bank to guard against the commercial pressure, *Mahony* 4015–4021——Charge of the Provincial Bank having combined to embarrass the Agricultural Bank was not true; on the contrary, they did everything they could in order to prevent any mischief, *Mahony* 4021. 4044——Manner in which their report acted unfairly towards the Agricultural Bank, *Dwyer* 3129——Refused to take the notes of the Agricultural Bank during the last run, unless the parties lodging them endorsed them as a guarantee, *Dwyer* 3140, 3141——Instance of their sending an unusually large quantity of notes to the Agricultural Bank on the morning of its stoppage, *Dwyer* 3141–3144.

Nature of the orders issued by their agent at Sligo relative to taking the notes of the Agricultural and Commercial Bank, *Dwyer* 3028——Number and situation of branches; amount of nominal capital; number and value of shares; number of shares issued, and amount of paid-up capital; date of the several calls and amount of instalments; date of deed of settlement and number of signatures attached; places at which notes are made payable; rate of interest allowed on deposits, &c. *App. p.* 83, 84.

See also *Accommodation Bills. Accounts. Actions at Law. Agricultural and Commercial Bank. Assets and Liabilities. Auditors. Bad Debts*, 7. *Balance Sheets*, 5. *Ballinasloe Fair. Bills of Exchange*, 7. *Branch Banks*, 10. *Cash Credits. Circulation. Credit. Directors*, 6. *Dividends. Dublin. Exchanges. Exchanging Notes. Gault*, Mr. *Gold. Goulburn*, Mr. *Inspectors. Interest*, 3. *Legal Tender of Bank of England Notes. Local Bills. Managers of Banks*, 4. *Newry Branch Bank. Officers. Periodical Returns. Promissory Notes*, 6. *Public Revenue of Ireland. Roche*, Messrs., (of Limerick). *Runs upon Banks*, 3. *Salaries. Specie. Stock. Value of Shares*, 1.

Public Revenue of Ireland. [1837.] Arrangement between the Bank of Ireland and the Provincial Bank with regard to the remittance of the public revenue, *Mahony* 4122–4127, *Marshall* 4383–4385——Period of making remittances of the public revenue, *Marshall* 4386.

Publication of Accounts:

[1836.] Joint stock banks should be required to make periodical returns of their affairs to their shareholders, *Gilbert* 297, 298, *James* 750. 754, *Stuckey* 1338. 1519, *Austin* 2152, *p.* 130, *Martin* 2409. 2431——Mode recommended for publishing the assets and liabilities of joint stock banks, *Stuckey* 1339, 1340. 1348. 1362, *Martin* 2447. 2451——How the publication would become beneficial to the public, *Stuckey* 1343, 1344——Banks of issue should be compelled to make a return of their accounts to the Stamp-office every six months, so that they may be published in the Gazette, *Stuckey* 1519——Averse to the publication of accounts, as liable to much abuse, *Gurney* 2536——Obnoxious and unpopular, easily evaded, and without adequate advantage, *Harding* 2272, *p.* 139.

No objection to the disclosure of the private affairs of joint stock banks, provided the same be required of private bankers, *Burdekin* 35, *Jackson* 70, *Amery* 657——No objection to the publication of the amount of notes joint stock banks have in circulation, *Gibbins* 1283–1289——Reason why the principle of publishing accounts by banks of issue does not apply to banks of deposit, *Stuckey* 1398, 1399——General wish on the part of the directors of the Bank of Manchester for publication of accounts to such

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such an extent as should be satisfactory security to the public, *Burdekin* 34——Joint stock banks should be required to render an account to Government to show that their regulations are properly attended to, *Harding* 2272, *p.* 139.

[1837.] Obliging joint stock banks to make a periodical return of their assets and liabilities, the same as the Bank of England, would be no criterion of the solvency of the bank, *Gilbart* 2170, 2171.

Embarrassments of the Agricultural and Commercial Bank attributed in a great measure to the publication of the assets and liabilities of the joint stock banks, *Dwyer* 3025.

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Pym, Boyle, Low & Co. [1837.] Account of the transaction between them and Mr. Mooney relative to his shares in the Royal Bank of Ireland, *Gresham* 3269.

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Raper, Mr. [1837.] Period of his appointment by the Agricultural and Commercial Bank, and superior manner in which the books were kept in consequence thereof, *Gresham* 3249–3251.

Re-discounting Bills of Exchange:

[1836.] Nature of the system as carried on by joint stock banks with the Bank of England, *James*, 779-784——Mode adopted by joint stock banks in the North of England of re-discounting, *Burdekin* 40–43.

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[1837.] Difficulties of the Northern and Central Bank were caused by their being unable to get any of their bills re-discounted, *Moult* 94–96——Reason why the system of re-discounting for joint stock banks by the Bank of England adds more to the circulation than allowing joint stock banks to issue their own paper, *Gilbart* 2040, 2041. 2054–2068.

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[1836.] Deficiency of the law as regards the names of proprietors registered at the Stamp-office, *Rep. p.* ix; [1837] *Mahony* 3843——Certificates of shares should be printed, or annexed to a copy of the deed of settlement, *Martin* 2431.

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[1837.] The fact of a name appearing registered is sufficient evidence to entitle any person who might get a verdict against the company to issue execution against the individual whose name appears so registered, *Mahony* 3927, 3928——No regular statement of the stock account, or any list of shareholders, was kept at the Agricultural Bank, *Dundas* 4223——Witness applied for a copy of the Stamp-office list of shareholders, but was told by the clerk that no such list was kept at the bank, *Dundas* 4225——Stamp-office should be authorized at stated periods to examine the registry with the returns made, so as to ascertain that the return was kept regularly and faithfully, *Mahony* 3936——Legislature should provide that no transfer should take place in the shares of joint stock banks without a duplicate being lodged at the Stamp-office, *Mahony* 3866, 3867.—— *See* also *Partners. Transfer of Shares.*

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[1837.] Amount of the remittance witness brought to London from the Northern and Central Bank at Manchester, *Evans* 1129, *Braidley* 1426——Nature of the securities comprised in the remittance, *Evans* 1146——Authority upon which the remittance was made, and cause of Mr. Evans being intrusted with it, *Moult* 41–61.

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Reports. [1837.] Report of the Agricultural and Commercial Bank of Ireland of the 17th October 1836, *Dwyer* 2631, *p.* 149——Practice of the Provincial Bank of Ireland to submit a report to the shareholders on the third Thursday in May, it being previously submitted to the directors to be approved of by them, *Marshall* 4306–4312.

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[1836.] Nature of the provision made in deeds of settlement relative to joint stock banks purchasing their own shares, *Rep. p.* vi.——Cause of the Northern and Central Bank being compelled to purchase their own shares, *Cassels* 1589–1591.

[1837.] Particulars respecting 45,348 *l.* being the amount of stock re-purchased by the Agricultural and Commercial Bank, and how the transactions connected with it arose, *Dwyer* 2999–3008.

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[1836.] Joint stock banks should be required to have a reserved fund to meet occasional losses, *James* 840, *Stuckey* 1500——Nature of the reserved fund of the Norwich and Norfolk Joint Stock Bank arising from the undivided profits, and how appropriated, *Nimmo* 412, 413——None ever formed, though provided for in the deed of settlement of the Norwich and Norfolk Bank, *Bignold* 2754–2756——Plan adopted by the Manchester and Liverpool District Banking Company, relative to charging the reserved fund for losses with past-due bills, *Jackson* 66.

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Reserved Shares:

1. *Advantages of the Reserved Shares.*
2. *Evils of the System.*
3. *Birmingham and Gloucestershire Banking Companies.*
4. *Northern and Central Banking Company.*
5. *Norwich and Norfolk Joint Stock Bank.*
6. *National Provincial Bank.*
7. *Stourbridge and Kidderminster Bank.*

1. *Advantages of Reserved Shares:*

[1836.] Very advantageous in extending the business of a joint stock bank, if judiciously placed, *Gibbins* 926. 1035——Means of acquiring custom by the issue of shares very advantageous to joint stock banks compared with private banks, *James* 691——Manner in which the issue of reserved shares tends to increase the business of a bank, *Austin* 1936–1942, *Harding* 2170–2173——Only given to persons residing in the neighbourhood for the purpose of increasing the business of the North of England Joint Stock Bank, *Austin* 1920, 1921——Number at present on hand, *Austin* 1918——Persons of property and influence always selected in the disposal of the reserved shares, *Gibbins* 1118.

[1837.] Usual for directors of banks to allot shares for the purpose of gaining business, *Moult* 257.

2. *Evils of the System:*

[1836.] System of reserving shares very improper, *James* 729–732, *Martin* 2386, *Gurney* 2502–2509——Reason why the system of reserved shares for the purpose of drawing custom is bad in banking companies, *Stuckey* 1505–1510——Effect of reserved shares in withdrawing business from private bankers, *Gurney* 2505–2508——Instance of a premium of 5,000 *l.* being offered to a house of business for their custom, by means of reserved shares, *Gurney* 2506——Parties should be prevented from speculating in reserved shares, *James* 693–696——Not possible to issue reserved shares at a discount, *Gibbins* 1044.

3. *Birmingham and Gloucestershire Banking Companies:*

[1836.] Number of, in the Birmingham Banking Company, and how disposed of by the directors, *Gibbins* 922, 923——Amount of reserved shares always made known to the proprietors at their annual meeting, *Gibbins* 1032——Purposes for which the premiums on the reserved shares of the Birmingham and Gloucestershire Banking Companies have been appropriated, *Gibbins* 1194–1198——Those of the Gloucestershire Bank were all disposed of among persons likely to benefit the establishment, *Gibbins* 959.

4. *Northern and Central Banking Company:*

[1836.] Purposes to which the reserved shares of the Northern and Central Bank were applied, *Cassels* 1567. 1577.

[1837.] Number of undisposed shares belonging to the Northern and Central Bank, *Moult* 123——Whether the shares apportioned to the directors of the Northern and Central Bank were included in the return of the number of shares upon which the capital of the bank was paid, *Moult* 488–495——Instance of a director of the Northern and Central Bank handing over the profit on the sale of his shares for the benefit of the bank, *Lyle* 1084–1087——Cause of the discrepancies in the account of the number of shares stated to have been divided among the directors of the Northern and Central Bank, *Moult* 585–590——Cause of the allotment of shares to the directors of the Northern and Central Bank not being recorded in the minute-book, *Moult* 530–543.

5. *Norwich and Norfolk Joint Stock Bank:*

[1836.] Cause of the shares being issued at a premium, *Bignold* 2715——System of reserved shares for the purpose of issuing to customers attended with good effect in certain districts of the Norwich and Norfolk Bank, *Nimmo* 501–503.

6. *National Provincial Bank:*

[1837.] Amount of the unissued shares of the National Provincial Bank, *Robertson* 2271.

7. *Stourbridge and Kidderminster Bank:*

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Restrictions. [1836.] No restrictions should be imposed upon banks of issue that are not imposed on banks of deposit, *Gibbins* 1260.

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Royal Bank of Liverpool. [1836.] Amount of its nominal and paid-up capital; number and value of shares; date of the several calls and amount of instalments; rate of interest paid on deposits, &c. *App. p.* 245; [1837] *App. p.* 85.

Rugeley. See *Lichfield, Rugeley and Tamworth Bank.*

Runs upon Banks:

1. *Generally.*
2. *Agricultural and Commercial Bank.*
3. *Provincial Bank of Ireland.*

1. *Generally:*

[1836.] System of banking so well understood in Scotland that there is no chance of a run to any extent, *Robertson* 2910.

[1837.] Immediate demand never comes upon a bank, it always has an opportunity of judging of the probability of its demands, *Gilbart* 2209.

2. *Agricultural and Commercial Bank:*

[1837.] Period at which the run first manifested itself upon the Agricultural and Commercial Bank, *Dwyer* 2722. 2859. 2868, *Dundas* 4194. 4196——Particulars respecting the run upon the Agricultural and Commercial Bank at the time witness first became a director, *Gresham* 3231–3233——Run in July 1835 upon the Agricultural Bank very much augmented by the opposition shown to it by the National Bank of Ireland, *Dwyer* 3084–3086——Means taken by the Agricultural Bank to restrain the pressure upon them, *Dwyer* 2848. 2868-2871. 3123——Directions were given to all the managers at the branches of the Agricultural and Commercial Bank to restrict their issues when the pressure appeared, *Dwyer* 2725–2728——Agricultural Bank would have sustained all the difficulties pressing upon them had the proprietors come promptly forward on the occasion, *Dwyer* 2850.

3. *Provincial Bank of Ireland:*

[1837.] Account of the runs upon the Provincial Bank; causes that originated them, *Mahony* 3952, *Marshall* 4429. 4445——Evidence as to the steps taken by the Provincial Bank to guard against the commercial pressure of 1836, *Marshall* 4458–4463——In 1828, the Provincial Bank of Ireland remitted 700,000*l.* in gold and bank post bills to meet the run upon their branch banks in Ireland, *Marshall* 4435——In 1836, the Provincial Bank remitted 400,000*l.*, but had previously made preparations, foreseeing the event, *Marshall* 4442.

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Saddleworth Banking Company. [1836.] Number and situation of its branches; amount of nominal and paid-up capital; number and value of shares; date of calls, and amount of instalments; rate of dividend, and variations therein; places at which notes are payable; rate of interest on deposits, &c., *App. p.* 214; [1837.] *App. p.* 53.

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[1836.] Amount paid the managers at the branch banks of the Gloucestershire Banking Company, *Gibbins* 1223. 1228.

[1837.] Amount of the salary of the inspector to the Agricultural and Commercial Bank, *Crosse* 3637——Amount of the directors' salary of the Provincial Bank; sum allowed by the deed of settlement as provision for the directors, *Marshall* 4351–4356——Reduction in the amount of the directors' salary was their own act, *Marshall* 4356——Those of the Provincial Bank of Ireland are not to exceed 250 *l.*, though attending every meeting, *Marshall* 4351——Salary is generally arranged from the number of attendances a director gives, *Marshal* 4353.

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Savings Banks:

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[1837.] Instances of persons in lower ranks of life withdrawing their money from the savings banks and investing it in shares of the Agricultural Bank, and object that induced them, *Dundas* 4143–4150.

Scotch Banks. [1836.] Their system is always to hold a certain amount of funded property, *Cassels* 1838–1840——Chartered stock banks of Scotland are the greatest holders of Government securities, *Robertson* 2913——Would consider it more to their advantage to employ their capital in discounting than holding stock, *Robertson* 2915.

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Securities:

[1836.] Security held for the balances of current accounts due to the Northern and Central Bank; effect of suddenly calling it in, *Cassels* 1705–1716.

[1837.] Nature of the securities given by the directors of the Northern and Central Bank for the debts owing by them to the bank, *Moult* 176–180——Description of security deposited with the Agricultural and Commercial Bank upon overdrawn accounts, *Dwyer* 2773, 2774——Those found at the Agricultural branch banks were exceedingly small, averaging from 1 *l.* to 10 *l.*, *Dundas* 4203——Description of security tendered the Northern and Central Bank for the advances made to the Agricultural Bank, *Dwyer* 3033.

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Shareholders:

[1836.] Best security for the good conduct of a bank is the respectability and wealth of its proprietors, *Nimmo* 504, *Gibbins* 1022, 1023, *Stuckey* 1453, *Austin* 2152, *p.* 129, 130; ——Every shareholder should be required to hold 100 *l.* stock in the aggregate, *Austin* 2152——More advantageous to joint stock banks to select the holders of their shares than to allow every applicant to have them, *Gibbins* 1047——Great inducement held out to persons to become shareholders, from the cash credit they become entitled to, *Austin* 2131——Lessening the number of the proprietary adds much to the respectability of joint stock banks, *Stuckey* 1346, 1347——Should have the power of the most accurate investigation of the affairs of the bank, *Gurney* 2538——Number of the North of England Joint Stock Bank, *Austin* 1931——Shareholders of the Northern and Central Bank do not possess any advantages in obtaining advances that are not afforded to the rest of the customers, *Cassels* 1598——Those of the Northern and Central Bank have very much increased, both in number and respectability, by the mode of issuing the reserved shares of the bank, *Cassels* 1570.

[1837.] Proportion of the accounts of the Northern and Central Bank that belong to shareholders, *Evans* 1331–1333——The capital of the shareholders in the Northern and Central Bank is estimated at ten millions, *Moult* 100–102——State of the law relative to the insertion of the names of shareholders; defect therein applies equally to England, Ireland and Scotland, *Mahony* 3921–3928——Defects in the law as to the rights of shareholders, no mode being provided by which they can be summarily obtained,

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Shares:

[1836.] No provision made by law as to the amount of shares to be subscribed for previous to commencing business, *Rep. p.* viii.——Number of shares issued at a premium by the directors of the National Provincial Bank, and amount applied for, *Robertson* 2884——Number of shares at present unissued, *Robertson* 2886–2889——Number of those of the North of England Joint Stock Bank, *Austin* 1914——Number of them should be fewer, of greater value than at present, and the whole amount paid up, *Harding* 2272, *p.* 139.

[1837.] Number and value of the shares held by the proprietors of the Agricultural and Commercial Bank, that signed the deed of settlement, *Dwyer* 2608, 2609.

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Sheffield and Hallamshire Bank. [1837.] Amount of nominal capital; number and value of shares; number of shares issued; amount of paid-up capital; date of the several calls; number of signatures to deed of settlement; number of shares held by the bank; rate of interest allowed on deposits, &c., *App. p.* 73.

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Sheffield Banking Company. [1836.] Situation of its branch; amount of nominal and paid-up, capital, &c. &c. *App. p.* 232; [1837] *App. p.* 44.

Sheffield Branch Bank. [1837.] Amount of the loss sustained by the Northern and Central Bank at that branch, *Moult* 774.——*See* also *Losses*, 5.

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Shropshire Banking Company. [1837.] Number and situation of its branches; amount of nominal capital, &c. *App. p.* 8, 9.

Sloane, Mr. [1837.] Object of his being selected as a local director of the Belfast Branch Bank, *Marshall* 4340.

Small Bills. See *Bills of Exchange*, 3. *Butter Market. Butter Merchants. Instalments on Shares. Losses*, 3. *Rent.*

Small Notes. [1837.] Opinion as to assimilating the law of Ireland as to small notes with the law of England, *Marshall* 4553–4561——Competition and extension of banking in Ireland could not have taken place to the extent it did, but for the small-note circulation, *Marshall* 4555——Were the foundation of the pressure and run that took place in 1836, *Mahony* 3960——Insecurity and liability to alarm in Ireland is very much increased by the small-note circulation, *Mahony* 4085, 4086, *Marshall* 4561——Bank of Ireland could never have discounted at four per cent. while the Bank of England charged five per cent. but for the small-note circulation, *Mahony* 4089——The abuses that existed in the Agricultural Bank could never have happened but for the small-note circulation, *Mahony* 4087, 4088.——*See* also *Nenagh Branch Bank.*

Small Shares. See *Value of Shares*, 2. 4.

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Soliciting Custom. [1836.] System in country towns of inducing people to become shareholders and offering to lend them money, is very imprudent conduct on the part of joint stock banks, *Stuckey* 1521–1529.——*See* also *Reserved Shares.*

Solicitor's Bills. [1837.] Amount of the law charges of the Northern and Central Bank, *Moult* 153, *p.* 8.

Somersetshire Banking Company. [1836.] Origin of the company, and number of shareholders, *Stuckey* 1313–1315——Cost of its issue, *Stuckey* 1539——No persons admitted as

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shareholders of the Somersetshire Banking Company, without the sanction of the directors, *Stuckey* 1492——Number of its branches; amount of nominal and paid-up capital; number and value of shares; rate of dividend; date of deed of settlement, and number who signed it; places notes payable at; rate of interest on deposits, &c. *App. p.* 194, 195; [1837] *App. p.* 13.

See also *Bad Debts*, 3. *Farmers. Past-due Bills. Promissory Notes*, 2.

South Lancashire Bank, (Manchester). [1837.] Amount of nominal capital; number and value of shares; number of shares issued, and amount of paid-up capital; date of the several calls, and amount of the several instalments; date of deed of settlement, and number of signatures thereto; rate of interest paid on deposits, &c. *App. p.* 31, 32.

South Wales, Bank of. [1837.] Amount of nominal and paid-up capital; number and value of shares; date of the several calls; rate of dividend per share; places at which promissory notes are payable, &c. *App. p.* 101.

South Wales. See *West of England and South Wales District Bank.*

Southern Bank of Ireland. [1837.] Its origin, and names of the parties that seceded from the Agricultural Bank to join it, *Dwyer* 2779–2781, *Goodier* 3497, *Mahony* 3872–3878——Part taken in its management by Messrs. Mitchell and Bennett, *Goodier* 3497——Amount of nominal capital; number and value of shares; number of shares issued; date of calls and amount of instalments; place at which promissory notes are payable, &c. *App. p.* 22, 23.

Spalding. See *Stamford, Spalding and Boston Joint Stock Banking Company.*

Spankie, Serjeant. [1837.] Part taken by him in framing the laws for regulating joint stock banks, *Mahony* 3818.

Specie. [1837.] Joint stock banks should be required to keep a certain quantity of specie on hand to meet their issues, *Mahony* 4079——Provincial Bank has always a large sum of silver, as well as Bank of England and Bank of Ireland notes on hand, beyond the amount of gold they are obliged to keep, to meet the notes in circulation, *Marshall* 4398, 4399.——*See* also *Bullion. Gold.*

Speculation:

[1836.] Banking business of the country will pass into the hands of adventurers and insolvents if the projects for establishing joint stock banks are not immediately checked, *Austin* 2152, *p.* 129——Joint stock banks promote speculation among the people from the extended credit they afford, *Harding* 2166——Manner in which men without capital are able to become shareholders in joint stock banks, *Harding* 2225——Bank of England advancing money to joint stock banks tends very much to imprudent speculation, *Stuckey* 1416.

See also *Bank of England*, 1.

Speculation in Shares. [1836.] The law does not provide against joint stock banks speculating in their own stock, nor prohibit them making advances on the credit of their own shares, *Rep. p.* ix.——Much mischief arises to joint stock banks from the system of speculating in shares, *Nimmo* 503–513, *Amery* 650–652, [1837] *Gilbart* 2123——Very improper for directors to be engaged in the purchase and sale of shares of joint stock banks, even though it were for the benefit of the bank, *Austin* 1928–1930——Greater facility to traffic in shares of small value than large, *Austin* 2152——Issuing those of small value tends to speculation, *James* 702–714, *Harding* 2222, *Martin* 2383, *Gurney* 2492–2494——Vast deal of jobbing in shares carried on at York, *Harding* 2224, 2225.

Spirit of speculation has caused the establishment of joint stock banks rather than the want of accommodation on the part of private banks, *Martin* 2308–2311——Formation of joint stock banks for the purpose of speculation is attended with great inconvenience and danger, *Martin* 2378–2381——Suggestions for preventing the establishment of joint stock banks for speculative purposes, *James* 699–728——Obliging one-half of the value of shares to be paid up would lessen the spirit for speculation, *James* 715——The increase of the amount of paid-up capital would tend to suppress it, *Gibbins* 1024–1028——Traffic in the shares of the North of England Bank confined to York, Leeds and Manchester, *Austin* 2151.——*See* also *Reserved Shares.*

Staffordshire. See *Wolverhampton and Staffordshire Joint Stock Bank.*

Staffordshire, South. See *Walsall and South Staffordshire Bank.*

Stalybridge. See *Ashton, Stalybridge, Hyde and Glossop Bank.*

Stamford, Spalding and Boston Joint Stock Banking Company. [1836.] Number and situation of its branches; amount of nominal and paid-up capital; number and value of its shares, &c., *App. p.* 228, 229; [1837] *App. p.* 61.

Stamp Duty:

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Stamp Duty:

[1836.] Great irregularities with regard to securities has arisen from the stamp duty system, *Nimmo* 446——A reduction of the scale of duties, and the adoption of a form of bond similar to those in use in Scotland and Ireland, recommended, *Nimmo* 446.

[1837.] All banks in Ireland are obliged to compound for their stamps, *Mahony* 3938——Opinion relative to placing the Irish banks upon the same footing as the English as respects the payment of stamp duty, *Mahony* 3939–3941——Account of the stamp duty on bills of exchange in Great Britain, distinguishing the number and amount of each rate from 1828 to 1836, *App. p.* 167.

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Stamp Office. [1836.] Joint stock banks obliged to return the names, with the residences attached, of all the proprietors of the bank to the stamp-office, *Wood* 2463——Manner in which the returns of the circulation of joint stock banks to the stamp-office are made, *Wood* 2462; [1837] *Gilbart* 2188–2190.

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Stell, Mr. [1837.] Director of the Northern and Central Bank; nature of his calling, *Moult* 308——Amount of shares transferred to him, and premium at which transferred, *Moult* 426–429——Cause of his paying a larger premium for his shares in the Northern and Central Bank than the other directors, *Moult* 429. 444–450. 976——He paid a portion of his debt to the Northern and Central Bank immediately he was apprised of the amount, *Moult* 954.

Stock:

1. *Advantages of holding Stock.*
2. *Objections to Joint Stock Banks holding it.*

1. *Advantages of holding Stock:*

[1836.] Joint stock banks should be required to have a portion of their capital invested in stock or exchequer bills, *Cassels* 1660, *Martin* 2399, 2400; [1837] *Moult* 943, 944, *Gilbart* 1944, *Goodier* 3555. 3562——Not safe for any bank having large liabilities to be wholly without stock or exchequer bills, *Stuckey* 1445–1485——Money always procured more easily upon funded property and exchequer bills than upon any other description of security, *Stuckey* 1474–1477.

[1837.] No difficulty in obtaining money on stock or exchequer bills during the pressure in the money market, *Gilbart* 1926–1929——Practice of the chartered banks of Scotland to maintain a very considerable portion of their funds in Government securities, *Marshall* 4408——Provincial Bank have a portion of their funds invested in Government securities, *Marshall* 4401, 4402——Provincial Bank could not have maintained its full security during the last run, if they had not been possessed of considerable funded property, *Marshall* 4406——Very little held by the Provincial Bank in Dublin from the difficulty of converting any amount of stock into money without affecting the market, *Marshall* 4404——Intention of the National Provincial Bank to increase the amount of their Government securities, *Robertson* 2342–2344.

2. *Objections to Joint Stock Banks holding Stock:*

[1836.] Not necessary for joint stock banks to hold Government securities as resource in cases of emergency, *Gurney* 2614——Reason why it is not necessary for a bank to hold stock or exchequer bills as a deposit, *James* 802——Joint stock banks being obliged to hold stock or exchequer bills would very much cripple their operations, *Gibbins* 1259——Bills of exchange in most respects very much better for a bank to hold in times of difficulty than stock or exchequer bills, *Gurney* 2614–2618——Difficulties in the way of choosing what description of funded property would be the best for banks to hold, *Cassels* 1660–1662——Fluctuation in the public funds a great objection to the investment of capital in them, *Cassels* 1660.

See also *Bills of Exchange,* 1. *Gold. Guarantee Fund. Price of Stock. Reserved Fund. Scotch Banks.*

Stockport, Bank of. [1836.] Number of shares issued; amount of paid-up capital; date of calls and amount of each; rate of dividend on deposits, &c. *App. p.* 199, 200; [1837] *App. p.* 36.

Stoppage of Payments. See *Failures. Frauds.*

Stourbridge and Kidderminster Bank. [1836.] System of control exercised by the parent bank over the branch establishments, *Amery* 542——Rate of profit on the issues of the bank, and how derived, *Amery* 594–604——Letter from J. Amery, Esq. to the Chancellor of the Exchequer, stating the principles upon which the bank is conducted, and the amount of assets over the liabilities of the establishment, *Amery* 677, *p.* 42, 43——Number and situation of its branches; amount of nominal and paid-up capital; number and value of shares; rate of dividend; number who signed deed of settlement; places notes

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payable at; date bank post bills are issued; rate of interest on deposits, &c. *App. p.* 215, 216; [1837] *App. p.* 32.

See also *Bad Debts*, 4. *Bills of Exchange*, 8. *Inspection of Accounts. Interest*, 2. *Premium of Shares. Promissory Notes*, 2. *Reserved Shares*, 7. *Value of Shares.*

Stuckey, Vincent. [1836.] (Analysis of his Evidence.)—Connected with the Somersetshire Banking Company, 1312——Origin of the company, and number of shareholders, 1313–1315——Suggestions as to the nominal value of shares, and amount paid up upon each so as to insure safety and respectability and prevent speculation, 1317–1324——No bank should have a branch bank beyond a certain distance from the central establishment, 1325. 1338——Distinction between an agency and a branch bank, 1329——Description of notes issued at the agencies and branch banks, and practice with respect to their payment on demand, 1330–1335——Every joint stock bank should be compelled to publish their assets and liabilities, on the same principle as the Bank of England, 1338——Mode recommended for publishing the assets and liabilities of joint stock banks, 1339, 1340. 1348–1362.

Not usual for provincial bankers to advance money upon mortgage, but to render their resources as available as possible, 1342——Publication of the assets and liabilities of joint stock banks would become beneficial to the public, 1343, 1344——Plan formerly to carry on banks without any capital, 1345——Lessening the number of the proprietary adds much to the respectability of joint stock banks, 1346, 1347——Explanation relative to "notes of hand" and "over-due bills of exchange," &c. as returned among the assets and liabilities of witness's bank, 1363–1376——Practice with respect to lending money to farmers, and security usually taken and required, 1368–1370——Rate of interest charged farmers for advances, 1372——Mode of lending money upon "bonds," 1374.

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Banks could not reasonably object to define their securities in making a return of their assets and liabilities, 1412——System of the Bank of England advancing money to joint stock banks at three per cent. is not a prudent transaction, as tending to imprudent speculation, 1414–1418——Bank of England might prevent any danger by conforming to the market rate of interest on money advanced to the joint stock banks in the north, 1421——Reason for recommending branch banks to be within a certain distance of the central establishment, 1423–1431——Power of an agent in conducting the business of joint stock banking company, 1429–1431——Reason why it is dangerous for a bank to depend for its resources on rediscounting bills, 1435–1443.

Not safe for any bank having large liabilities to be wholly without stock or Exchequer bills, 1445. 1485——Advantage of joint stock banks with limited liabilities over those with unlimited liability, 1446–1450——Best security for the good conduct of a bank is the respectability and wealth of its proprietors, 1453——Nature of the objections urged against limited liability for banking companies, 1455–1468——Extremely difficult to regulate the resources and management of banking companies by law, 1469——Money always procured more easily upon funded property and Exchequer bills than upon any other description of security, 1474–1477——No persons admitted as shareholders of the Somersetshire Banking Company without the sanction of the directors, 1492.

Joint stock system of banking decidedly the safest and the best, 1494——Revision of deeds of partnership by some competent authority previous to banking establishments commencing business will be very desirable, 1499——All joint stock banks should be obliged to have a reserved fund, 1500——No dividends should be paid from any other source than the profits of banking establishments, 1502——Privy Council or Board of Trade should have the power of supervising all deeds of partnership previous to their commencing business, 1504——Reason why the system of reserved shares for the purpose of drawing custom is bad in banking companies, 1505–1510.

Proprietors should have the means of ascertaining the principle upon which a balance-sheet is struck, 1511——All bad debts are taken into account before the balance-sheet is made up, 1513——Appointment of auditors by shareholders would be a safeguard against any improper or improvident act on the part of the bank, 1518——Joint stock banks of issue should be compelled to make a return of their accounts to the Stamp-office every six months, so that they may be published in the Gazette, 1519——Publication of the market price of gold and silver, and the exchange with Paris and Hamburgh in the Gazette recommended, 1519.

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lend them money, is very imprudent on the part of joint stock banks, 1521–1529—— Legislature could prevent the indiscreet proceedings of joint stock banks, without destroying the competition in banking, 1530–1533——Difference between the principle of charging interest in English and Scotch joint stock banks, 1533–1538——Cost of the issue of the Somersetshire Banking Company, 1539——Amount of rest a bank of issue should keep in proportion to the circulation, 1545.

Suffolk. See *East of England Bank. National Provincial Bank. Panics,* 2.

Sunderland Joint Stock Banking Company. [1837.] Amount of nominal and paid-up capital; number and value of shares; rate of dividend and variations therein; date of deed of settlement, and number signing it; places notes payable at; rate of interest on deposits, &c. *App. p.* 52.

Sunderland. See *Newcastle, Shields and Sunderland Union Joint Stock Banking Company.*

Suspense Accounts. [1837.] Explanation relative to that item in the balance sheet of the Agricultural and Commercial Bank, *Goodier* 2464, *Dundas* 4164, *p.* 272——Examination respecting the suspense account, and how it accrued, *Dundas* 4164–4172.

Swaledale and Wensleydale Banking Company. [1837.] Number and situation of its branches; number of shares issued; amount of paid-up capital; date of the several calls, and amount of instalments; number of shares forfeited; rate of dividend declared; number of signatures to deed of settlement; rate of interest on deposits, &c. *App. p.* 69.

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Tamworth. See *Lichfield, Rugeley and Tamworth Bank.*

Taylor, Mr. [1837.] Cause of the Agricultural and Commercial Bank re-purchasing shares of him that he had induced Mr. Hime to take on his recommendation, *Dwyer* 3114-3121——Explanation relative to the transfer of his shares in the Agricultural and Commercial Bank, *Dwyer* 3209.

Thorpe, Mr. [1837.] Managing director of the Northern and Central Bank; nature of his calling, *Moult* 309–317——His letter to the Messrs. Mahony, authorising the dismissal of the bill filed by Mr. Hardy against the Agricultural and Commercial Bank, *Dwyer* 3168, 3168*.

Tilley, Mr. [1837.] Cause of his retiring from the board of direction of the Agricultural and Commercial Bank, and subsequently joining the company, *Dwyer* 2573.

Tindal, Lord Chief Justice. [1837.] Part taken by him with respect to the Act for the regulation of joint stock banks, *Mahony* 3818.

Title Deeds:

[1836.] Money frequently advanced by the Birmingham Banking Company on the deposit of writings, but never on mortgage, *James* 866–868.

[1837.] No money advanced by the Agricultural and Commercial Bank on either deeds or mortgage, except as collateral security, *Dwyer* 2763——The Provincial Bank uniformly decline to take deeds as a collateral security for advances, *Marshall* 4516——Shareholders in the Northern and Central Bank cannot make good titles to their estates in consequence of the Bank of England having entered up judgment against them, *Moult* 861.

Trade. [1837.] Manner in which it is affected by joint stock banks of issue, *Gilbart* 2075–2079. 2089, 2090——Reason why the trading interests of Limerick and Galway would not be affected by Dublin, Belfast and Cork being selected as the places for payment of notes in gold, *Mahony* 3952.

Tradesmen. [1836.] Great accommodation to tradesmen with small capital to open commission accounts with joint stock banks, instead of keeping a balance, *James* 889.

Tralee. [1837.] Stoppage of the Agricultural and Commercial Bank the cause of not opening a branch bank in that town, *Dwyer* 2519, 2520.

Transfer of Shares:

[1836.] Deed of settlement provides that proprietors shall not transfer their shares until the expiration of twelve months from the time they were granted, *Gibbins* 1123——In the Birmingham Banking Company, all transfers are suspended until the call on the shares is paid up, *Gibbins* 1106——In the North of England Joint Stock Bank both parties are obliged to sign the deed upon a transfer of shares, *Austin* 1931.

[1837.] No transfer should be deemed legal unless signed in duplicate by the buyer and seller, one copy to be deposited with the company and the other at the Stamp-office, *Mahony* 3932——General regulation of the Northern and Central Bank that directors and

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and clerks should not transfer shares in their own names, *Lyle* 1712——Instances of shares of the Northern and Central Bank being transferred without ever being in the party's name, *Lyle* 1705-1720——Parties to whom shares are transferred are equally liable as those that have signed the deed of settlement, *Mahony* 3892, 3893——Every joint stock bank should be obliged to register the transfer made of their stock at least once a month, *Mahony* 3967.——*See* also *Forbes*, Mr. *N. W.*

Transmission Accounts. [1836.] Nature of those opened by joint stock banks with the Bank of England, *Cassels* 1628.

Transmission of Money. [1836.] Great risk created in the transmission of money to branch banks at a distance from the central establishment, *Austin* 2135.
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Travelling Agents. [1836.] System of agents travelling to fairs and markets very objectionable in respectable banking establishments, *Austin* 2137.

Treasury Order. [1837.] Effect the Treasury order legalizing the tender of Bank of England notes in Ireland had in inducing bankers to provide themselves with notes instead of gold, *Mahony* 3963, 3964.

Tuck, William. [1836.] Amount of the loss sustained by the Norwich and Norfolk Bank through his failure, *Bignold* 2692–2695.

Turner, Mr. (of Liverpool.) [1836.] Bank of England offered through him a transmission account and a discount account, provided the Northern and Central Bank did not issue their own paper, *Cassels* 1672, 1673.

U.

Ulster Banking Company. [1837.] The agents of that bank refusing to pay tended very much to the stoppage of the Agricultural and Commercial Bank, *Dwyer* 2736, 2737—— Number of its branches; amount of nominal capital; number of shares, and nominal value of each share; number of shares issued; amount of paid-up capital; rate of dividend; date of deed of settlement and number of signatures thereto; places at which promissory notes are payable; rate of interest on deposits, &c. *App. p.* 76, 77.

Undivided Profit Account:

[1836.] Nature of the undivided profits of the Norwich and Norfolk Joint Stock Bank, and manner they operated as a set-off against bad debts, *Nimmo* 463–468.

[1837.] Abstract of the undivided profit account of the Northern and Central Bank, 31st December 1836, *Lyle* 1722, *p.* 85; 1762, *p.* 90.
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Union Bank of Manchester. [1836.] Number of shares; number issued, and amount of paid-up capital; date of the several calls and amount of the several instalments; date of deed of settlement and number of persons that have signed it; rate of interest on deposits, &c. *App. p.* 207, 208; [1837], *App. p.* 19.

United, or *Joint Stock Banks.* [1836.] An account of all places where united or joint stock banks have been established under the Act 7 Geo. 4, c. 46, together with the number of partners therein, and the dates when such banks respectively were established, *App. p.* 240–249.

Unlimited Liability. [1836.] Does not prevent persons from embarking in joint stock banks properly conducted, *James* 734–738——Unlimited liability discourages a great many wealthy persons from taking shares in joint stock banks, *Austin* 2129.
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V.

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Value of Shares:

1. *Generally.*
2. *Evil of Shares of small Value.*
3. *Opinions as to the Minimum Value of Shares.*
4. *Agricultural and Commercial Bank.*

1. *Generally.*

[1836.] No provision made by law with respect to the nominal amount of shares of joint stock banks, *Rep. p.* viii.——Value of those of the North of England Joint Stock Bank, *Austin* 1914——Value of the Stourbridge and Kidderminster Bank shares, and amount paid up thereon, *Amery* 553–556.——Cause of the Provincial Bank of Ireland issuing small shares instead of large, *Stuc ey* 1391. 1509; [1837.] *Marshall* 4493–4497.

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[1837.] Evidence relative to the value of shares, showing the amount of paid-up capital on large and small shares, *Gilbart* 2118–2122——Cause of the National Provincial Bank issuing shares of small amount in preference to their original 100*l.* shares, *Robertson* 2238–2244——Object of the National Provincial Bank issuing shares of small value, and difficulty in getting the second instalment paid up, *Robertson* 2245–2250. 2356.

2. *Evil of Shares of small Value:*

[1836.] Evil effect of establishing banks with shares of small value, *Harding* 2218–2225.——Reason why the system of issuing shares of small value is objectionable, *Austin* 2131, 2132, *Martin* 2383, *Gurney* 2492; [1837.] *Goodier* 3506. 3509——Establishment of joint stock banks by 5*l.* shares should be prohibited, as being extremely dangerous to the public, *Martin* 2404–2408——Not possible for bank with large shares to compete with those issuing small shares, *Stuckey* 1393——Nominal value of shares quite immaterial for the promotion of the respectability of the bank, *Cassels* 1571.

[1837.] Raising bank capital upon shares of 5*l.* and 10*l.* value is not a sound system, *Marshall* 4502——Small shares are bad, from the bank having no power to make a further call on the shareholders in case of emergency, *Braidley* 1663–1666, *Gilbart* 2122, *Goodier* 3510. 3513.

3. *Opinions as to the Minimum Value of Shares:*

[1836.] Suggestions relative to the value of, and amount to be paid upon shares, so as to insure respectability and prevent speculation, *Stuckey* 1317–1324——Shares should be limited to 20*l.* in agricultural and 50*l.* in manufacturing districts, *Gurney* 2516——A minimum of 50*l.* for joint stock bank shares would be desirable, *James* 706, *Gibbins* 1015——The minimum should be fixed at 100*l.* per share, *Austin* 2152, *p.* 130——None should be permitted under the value of 500*l.*, with power to prevent their being split or transferred, *Martin* 2381. 2402, 2403——Reason why it would be difficult to define the minimum amount of shares, *Gurney* 2514–2516.

[1837.] The value should be regulated according to the trade of the locality, *Robertson* 2402–2404——None should be permitted less than 50*l.*, *Moult* 957——The higher the shares, the more respectable the constituency, *Dundas* 4152.

4. *Agricultural and Commercial Bank:*

[1837.] Object of the Agricultural Bank issuing shares of a small amount, *Goodier* 3515–3524——Greatest abuses that take place though joint stock companies are the formation of companies with small shares, as instanced in the Agricultural Bank, *Mahony* 3974——Agricultural and Commercial Bank shares induced many of the poorer classes of Belfast to embark their capital, from the small price of the shares, *Dundas* 4143–4150——Shares in the Agricultural and Commercial Bank were issued as low as 1*l.*, to induce small farmers and others without property to become shareholders, *Goodier* 3507–3517——Cause of the value of the shares of the Agricultural and Commercial Bank being raised, and increased from 5*l.* to 10*l.* and 25*l.*, *Dwyer* 2551–2556.

See also *Agricultural and Commercial Bank.* *Speculation in Shares.*

Vernon, Mr. [1837.] Director of the Northern and Central Bank, *Moult* 318.

W.

Wakefield Banking Company. [1836.] Amount of nominal capital, number and value of its shares; number of shares issued and amount of paid-up capital; date of the several calls and amount of instalments; rate of dividend declared; date of deed of settlement; number of signatures thereto; places at which its notes are payable at; rate of interest on deposits, &c. *App. p.* 203, 204. [1837.] *App. p.* 3, 4.

Wales. See *North and South Wales Bank. South of Wales Bank. West of England and South Wales District Bank.*

Walpole, Mr. [1837.] Transaction between him and the Agricultural and Commercial Bank relative to advances made to him on his stock, *Dwyer* 2701, 2702. 3002.

Walsall and South Staffordshire Bank. [1836.] Number and value of shares; amount of nominal and paid-up capital; number of signatures to deed of settlement; places notes are made payable at; date at which bank post bills are issued; rate of interest paid on deposits, &c. &c. *App. p.* 233, 234; [1837.] *App. p.* 94.

Warren and Pigott, Messrs. [1837.] Their opinion relative to winding up the affairs of the Agricultural and Commercial Bank by a bill in Chancery, *Gresham* 3312, *Mahony* 3825–3828.

Warwick and Leamington Banking Company. [1836.] Late Tomes and Russell; number and situation of its branches; number and value of its shares; amount of nominal and paid-up capital; number of shares forfeited; rate of dividend; date of and number of

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signatures to deed of settlement; number of reserved shares held by the bank; date bank post bills are issued at; rate of interest on deposits, &c. &c., *App. p.* 237, 238; [1837.] *App. p.* 67.

Warwickshire. See *Coventry and Warwickshire Banking Company.*

Waterford Branch Bank. [1837.] Report of the Agricultural Bank relative to the progress of their banks at Cork and Waterford, *Dwyer* 2631, *p.* 149, 150——State of the branch upon the auditors' visit thereto, *Goodier* 3390–4401.

Waters, Mr. [1837.] Instance of a parcel of notes being lost from his portmanteau, belonging to the Agricultural and Commercial Bank, 3239.

Watson, Mr. [1837.] Examination relative to his being a shareholder in the Agricultural and Commercial Bank at the Limerick branch, *Goodier* 3429, 3439——Whether he ever executed the deed of settlement of the Agricultural Bank and examination thereon, *Crosse* 3745–3749.——*See* also *Advertisements.*

Weldon, Mr. of Ennis. [1837.] Nature of his transactions with the Agricultural Bank in giving his note in payment of his instalment on shares, *Dwyer* 2496–2499.

Wensleydale Banking Company. See *Swaledale and Wensleydale Banking Company.*

Western District Banking Company for Devon and Cornwall. [1837.] Number and situation of branches; amount of nominal capital; number and value of shares; number of shares issued; amount of paid-up capital; rate of dividend; date of deed of settlement, and number of signatures thereto; places at which notes are payable; rate of interest paid on deposits, &c., *App. p.* 57.

West of England and South Wales District Bank. [1836.] Number and situation of its branches; amount of nominal and paid-up capital, &c., *App. p.* 194; [1837.] *App. p.* 29.

West India Loan. [1837.] Injurious effect it had on the money market, 874–876.

West Riding. See *Leeds and West Riding Banking Company.*

West Riding Union Banking Company. [1837.] Number and situation of branches; amount of nominal capital; number and value of shares, &c., *App. p.* 60, 61.

Westminster Bank. See *London and Westminster Bank.*

Westmorland, Bank of. [1836.] Number and situation of its branches; amount of nominal and paid-up capital; number and value of shares issued, &c., *App. p.* 239, 240; [1837.] *App. p.* 23, 24.

Whitehaven Joint Stock Bank. [1836.] Situation of its branch bank; amount of nominal and paid-up capital; number and value of its shares, &c., *App. p.* 206, 207; [1837.] *App. p.* 21.

Williamson & Jones, Messrs. [1837.] Cause of the Agricultural and Commercial Bank repurchasing their shares on their removal from the direction at Mallow, *Dwyer* 3111–3114.

Wilts and Dorset Banking Company:

[1836.] Number and situation of its branches; amount of nominal and paid-up capital; number and value of shares, and number issued, &c., *App. p.* 241.

[1837.] Manner the London and Westminster Bank lent itself to the formation of that bank, *Gilbart* 1973, 1974. 1983, 1984, *App. p.* 17, 18.

Wilts. See *North Wilts Banking Company.*

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